

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

<p>1 IN THE UNITED STATES DISTRICT COURT 2 FOR THE WESTERN DISTRICT OF PENNSYLVANIA</p> <p>3 WALTER BECK CORPORATION d/b/a Civil Action No. 04-348-Erie 4 THE RAINBOW INN, 5 Plaintiff, Judge Maurice B. Cohill, Jr. 6 vs. 7 SAFECO CORPORATION, AMERICAN 8 ECONOMY INSURANCE COMPANY, and 9 AMERICAN STATES INSURANCE COMPANY, 10 Defendants.</p> <hr/> <p>12 Deposition of: Harold Beck 13 Taken by: Defendants 14 Date: November 11, 2006 15 Time: 11:00 a.m. - 1:21 p.m. 16 Location: Holiday Inn Express, 17 The Villages 18 1205 Avenida Central 19 Lady Lake, Florida 20 Reported by: Leslie Richmond, RPR 21 22 23 24 ZACCO & ASSOCIATES REPORTING SERVICES 25 605 East Robinson Street, Suite 430 Orlando, Florida 32801 (407) 425-6789</p>	<p>1 P R O C E E D I N G S 2 HAROLD BECK, 3 having been first duly sworn, testified as follows: 4 THE WITNESS: I do. 5 DIRECT EXAMINATION 6 BY MR. MAYER: 7 Q. Good morning, Mr. Beck. 8 A. Morning. 9 Q. My name is Ben Mayer and I also represent the 10 insurance companies that were named as defendants in this 11 lawsuit that was filed regarding the fire which occurred at 12 the Rainbow Inn in 2003. You were present for your wife's 13 deposition earlier, correct? 14 A. Correct. 15 Q. And were you listening to the instructions that 16 were given to your wife regarding the deposition? 17 A. Yes. 18 Q. And did you understand those instructions? 19 A. Yes, I did. 20 Q. Do you understand that those same instructions 21 apply to this deposition? 22 A. Yes, I do. 23 Q. Have you ever had a deposition taken before? 24 A. Yes, I have. 25 Q. In what capacity?</p>
<p>1 A P P E A R A N C E S: 2 APPEARANCES FOR THE PLAINTIFF 3 Joshua R. Lorenz, Esquire 4 Of: Meyer, Unkovic & Scott, LLP 5 1300 Oliver Building 6 Pittsburgh, Pennsylvania 15223 7 8 APPEARANCES FOR THE DEFENDANTS 9 10 Daniel P. McDyer, Esquire, and 11 Benjamin M. Mayer, Esquire 12 Of: Anstandig, McDyer & Yurcon, P.C. 13 1300 Gulf Tower 14 707 Grant Street 15 Pittsburgh, Pennsylvania 15219 16 17 18 19 20 21 I N D E X 22 Testimony of Harold Beck Page 23 Direct Examination by Mr. Mayer 3 24 Certificate of Oath 114 25 Certificate of Reporter 115 24 Read and Sign Letter to Witness 116 25 Errata Sheet (to be forwarded upon execution) 117</p>	<p>2 4</p> <p>1 A. As a plaintiff and as a defendant. 2 Q. And tell me about when you were a plaintiff in 3 another lawsuit. 4 A. I sued some lawyers. 5 Q. And what did that involve? 6 A. I sued them for a lot of money. 7 Q. What was the nature of the case? 8 A. They had misrepresented some facts against me in 9 their capacity as attorneys and I went after them. 10 Q. Can you be more specific? 11 A. It was a long, drawn out affair that took place in 12 the state of Texas when we were living there and we had Texas 13 Fire and Security. They had sued us on behalf of somebody 14 that we had done work for. 15 Q. When you say, us, do you mean the corporation? 16 A. They sued the company. They sued the corporation 17 on behalf of some work we did for them and they had got a 18 judgment against us. 19 Q. Okay. Now, who sued the corporation? 20 A. Somebody we had done work for. And I don't 21 remember the name. 22 Q. Another company? 23 A. No. This was a -- this was a client of Texas Fire 24 and Security sued -- 25 Q. A private person?</p>

ZACCO & ASSOCIATES REPORTING SERVICES

Exhibit 5

1 (Pages 1 to 4)

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

<p style="text-align: center;">5</p> <p>1 A. Yeah. Sued us. It was a homeowners association 2 for a building and they sued us. And they achieved a 3 judgment against us. 4 Q. And was this stemming from work that your 5 corporation had done for the homeowners? 6 A. Yes. 7 Q. I'm going to ask you -- I know you are anticipating 8 my question, but just for the sake of the court reporter, 9 could you wait until I'm finished asking the question before 10 you answer? 11 A. Sure. 12 Q. Thank you. She just has trouble getting stuff down 13 if we're talking over each other. 14 A. Okay. 15 Q. So was this work an installation that you had done 16 for the homeowners association? 17 A. Yes. 18 Q. Okay. And what kind of installation was it? 19 A. It was a fire alarm system. 20 Q. And the corporation was sued because of the work 21 that was done? 22 A. Uh-huh. 23 Q. And what was the nature of the lawsuit? What did 24 they claim? 25 A. They claimed that it was installed defectively.</p>	<p style="text-align: center;">7</p> <p>1 Q. Do you remember the name of the homeowners 2 association in any way? 3 A. No. 4 Q. Do you remember the name of the establishment where 5 the homeowners association controlled -- 6 A. No. 7 Q. -- the business? No. 8 A. No. 9 Q. Do you remember the location of that place? 10 A. It was in Austin, Texas. 11 Q. In Austin, Texas. 12 A. Yeah. 13 Q. Do you remember the name of any attorneys who may 14 have represented the homeowners association? 15 A. The firm was Hilgers and Watkins. 16 Q. Hilgers and Watkins? 17 A. Yeah. I forget the names of the players. 18 Q. Now, when you say a judgment was obtained, did you 19 defend the lawsuit in court? 20 A. Yeah. 21 Q. And it went through trial? 22 A. Yeah. 23 Q. Was it a jury trial? 24 A. No. A judge. 25 Q. A judge trial. And was that in Austin, Texas?</p>
<p style="text-align: center;">6</p> <p>1 They claimed a lot of different things. The fact of the 2 matter is they didn't want to pay us. That's what it was 3 about. 4 Q. So you were never paid for the work that you had 5 done? 6 A. We were paid for half of the work. They didn't 7 want to pay the rest of it. 8 Q. I see. And you said they obtained a judgment 9 against you? 10 A. Yes. 11 Q. Did you hire an attorney to defend that lawsuit? 12 A. Yes. 13 Q. Do you remember the attorney that you hired? 14 A. Robert Looney (ph.). 15 Q. Robert Looney was your attorney? 16 A. Yes. 17 Q. And he's located in Texas? 18 A. He's dead. 19 Q. Oh, he's dead. Is his law firm still in existence? 20 A. No. 21 Q. Was it in Austin, Texas? 22 A. Yes. He was disbarred after he lost that case. 23 Q. Okay. He was disbarred? 24 A. Uh-huh. He used to be Lyndon Johnson's personal 25 attorney.</p>	<p style="text-align: center;">8</p> <p>1 A. It was a good old boy judge. 2 Q. You don't remember the name of the judge? 3 A. No. 4 Q. In what court was it? Was it a state court or a 5 federal court? 6 A. State court. 7 Q. So a state court in Austin, Texas. Is there just a 8 state court building in Austin, Texas? 9 A. Yes. 10 Q. And it was in Austin, Texas? 11 A. Yes. 12 Q. And after -- the result of that lawsuit was a 13 judgment against your company? 14 A. Yes. 15 Q. And after that suit took place you then became a 16 plaintiff in a lawsuit stemming from the original lawsuit? 17 A. Yes. 18 Q. What was the nature of that suit? 19 A. We did an investigation and found the attorneys had 20 made up the evidence against us. 21 Q. In what way? 22 A. They made it up. 23 Q. It was just completely fabricated? 24 A. Yes. They made up the evidence against us. And I 25 went after the attorneys, and I had one of them disbarred,</p>

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

<p style="text-align: right;">9</p> <p>1 too.</p> <p>2 Q. One of the Hilgers and Watkins --</p> <p>3 A. Well, one of the players.</p> <p>4 Q. One of the --</p> <p>5 A. One of the players that was involved in suing us.</p> <p>6 Q. Okay.</p> <p>7 A. And the judgment was subsequently removed.</p> <p>8 Q. So there was no judgment at all?</p> <p>9 A. Yes.</p> <p>10 Q. Do you remember what counts were levied against</p> <p>11 your company in the original lawsuit, what legal counts they</p> <p>12 were suing you for?</p> <p>13 A. They ultimately got us under deceptive trade</p> <p>14 practices, Texas Deceptive Trade Practices Act, which was</p> <p>15 later declared unconstitutional as a result of what I did.</p> <p>16 Q. I see. And the judgment was completely removed and</p> <p>17 there's no longer a judgment against that company?</p> <p>18 A. No.</p> <p>19 Q. Or you personally in any way?</p> <p>20 A. No.</p> <p>21 Q. Okay. And you said that you were also a defendant.</p> <p>22 When you said you were also a defendant in a lawsuit, were</p> <p>23 you referring to the original lawsuit?</p> <p>24 A. Yeah. I was a -- I gave depositions on both sides.</p> <p>25 Q. I see. And there were two separate lawsuits?</p>	<p style="text-align: right;">11</p> <p>1 Q. And what was your degree?</p> <p>2 A. English.</p> <p>3 Q. And after you graduated in 1972, did you then go to</p> <p>4 work?</p> <p>5 A. I went to graduate school.</p> <p>6 Q. Where did you go to graduate school?</p> <p>7 A. East Carolina University.</p> <p>8 Q. What did you study there?</p> <p>9 A. English.</p> <p>10 Q. Did you get a master's degree?</p> <p>11 A. Yes.</p> <p>12 Q. And what year did you obtain your master's?</p> <p>13 A. '74.</p> <p>14 Q. And what did you do after that?</p> <p>15 A. Went to work selling cars.</p> <p>16 Q. In what area?</p> <p>17 A. North Carolina. Washington, D.C.</p> <p>18 Q. And how many years did you do that?</p> <p>19 A. Two.</p> <p>20 Q. So that would take us up to about 1976?</p> <p>21 A. Yep.</p> <p>22 Q. What did you do then?</p> <p>23 A. Then I went to work for Liberty Mutual Insurance</p> <p>24 Company in Pittsburgh.</p> <p>25 Q. What did you do for them?</p>
<p style="text-align: right;">10</p> <p>1 A. Yes.</p> <p>2 Q. Okay. Are those the only other two lawsuits you've</p> <p>3 ever been involved in personally?</p> <p>4 A. To the best of my recollection.</p> <p>5 Q. Okay. Let's talk a little bit about your personal</p> <p>6 background. Where were you born?</p> <p>7 A. Pittsburgh, Pennsylvania.</p> <p>8 Q. Okay. In what year?</p> <p>9 A. 1946.</p> <p>10 Q. Your birth date?</p> <p>11 A. June 14.</p> <p>12 Q. What part of Pittsburgh?</p> <p>13 A. Baldwin Township. South Hills.</p> <p>14 Q. Did you go to high school there?</p> <p>15 A. South Hills Catholic High School.</p> <p>16 Q. What year did you graduate?</p> <p>17 A. '64.</p> <p>18 Q. Did you have any education after high school?</p> <p>19 A. California State College, California, Pennsylvania</p> <p>20 from 1964 to 1966.</p> <p>21 Q. What did you study there?</p> <p>22 A. Baseball, booze and broads. And for my sins, I got</p> <p>23 to serve in the Vietnam War. And then I went back to</p> <p>24 California State College and graduated from California State</p> <p>25 College in 1972.</p>	<p style="text-align: right;">12</p> <p>1 A. I was a -- I was a group health underwriter.</p> <p>2 Q. Group health?</p> <p>3 A. Yes.</p> <p>4 Q. How many years did you do that?</p> <p>5 A. I worked with Liberty Mutual until 1981.</p> <p>6 Q. So from '76 to '81 while you were working for</p> <p>7 Liberty Mutual Insurance Company, did you receive any</p> <p>8 insurance training?</p> <p>9 A. Oh, yes.</p> <p>10 Q. What kind of training would you have received?</p> <p>11 A. Life underwriter training, sales training.</p> <p>12 Q. Did you receive any certificates or licensure?</p> <p>13 A. I was licensed in numerous states to sell life and</p> <p>14 health insurance and underwrite it. I was licensed in New</p> <p>15 York, Pennsylvania, Ohio, Illinois, Massachusetts. At the</p> <p>16 end of my tenure with Liberty Mutual, I was a national</p> <p>17 accounts representative. I handled big corporations.</p> <p>18 Q. Okay. Did you sell any other type of insurance for</p> <p>19 Liberty Mutual or underwrite any other type of insurance?</p> <p>20 A. Business insurance.</p> <p>21 Q. Business?</p> <p>22 A. Property and casualty.</p> <p>23 Q. So were you also licensed as a property and</p> <p>24 casualty --</p> <p>25 A. Yes.</p>

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

	13		15
<p>1 Q. You were also licensed as a property and casualty 2 insurer?</p> <p>3 A. Yes, I was.</p> <p>4 Q. And what types of businesses would you have sold 5 property and casualty insurance to?</p> <p>6 A. Manufacturing facilities. I handled workman's 7 compensation for the Ford Motor Company, Xerox Corporation.</p> <p>8 Q. And you also you said wrote property and casualty 9 insurance?</p> <p>10 A. Yes.</p> <p>11 Q. Did you do any property and casualty insurance for 12 restaurants?</p> <p>13 A. No. I hated them.</p> <p>14 Q. And then -- so you stayed there until 1981, and 15 then you moved on to something else?</p> <p>16 A. 1981, I went to work for myself. I started Texas 17 Industrial Systems International.</p> <p>18 Q. What was that?</p> <p>19 A. I sold a fresh water pipeline that ran from Turkey 20 to Saudi Arabia through the entire nation of Iraq.</p> <p>21 Q. And this was a business solely owned by you?</p> <p>22 A. Yes.</p> <p>23 Q. And how did you become involved in that business?</p> <p>24 A. I came across a brand new product, internal coating 25 for pipe. And I became the international representative for</p>		<p>1 a deal in bulk to buy them, and then I made deals with 2 individual homeowners or individual apartment complexes to 3 install them, and that was the beginning of Texas Fire and 4 Security Systems.</p> <p>5 Q. Okay. Prior to your becoming involved in that 6 business, did Texas in any way require you to go through 7 training or licensure?</p> <p>8 A. Yes, you had to be licensed.</p> <p>9 Q. How did you obtain that license?</p> <p>10 A. I -- based on my qualifications through my brother, 11 because I had done work for him on the side, when he would 12 get a contract out of state, a lot of times I would -- as a 13 -- working with Texas Industrial Systems International, I 14 would do the installation work for him. I would take a crew 15 and go manage it and do the installation work. So based on 16 my experience, I was qualified to be licensed in the state of 17 Texas. I sat for the test, passed the test, and became 18 licensed.</p> <p>19 Q. Okay. Did you train with your brother then?</p> <p>20 A. Yes.</p> <p>21 Q. And all of the knowledge that you have about fire 22 suppression or burglar alarm systems came from your brother?</p> <p>23 A. No.</p> <p>24 Q. How else did you get it?</p> <p>25 A. I'm smart. I can pick stuff up, too.</p>	
	14		16
<p>1 the people that made the internal coating, and I had an in 2 with Aramco, the Arabian American Oil Company, and I sold 3 them the pipeline.</p> <p>4 Q. And how many years did that business exist?</p> <p>5 A. Texas Industrial Systems International stayed in 6 business for about two years.</p> <p>7 Q. What was the reason that it stopped doing business?</p> <p>8 A. Aramco didn't pay me.</p> <p>9 Q. I see. Were you involved in a lawsuit over that?</p> <p>10 A. Initially, but we dropped it because we couldn't 11 gain access to the international courts because we were 12 dealing with Arabians, with Arabs.</p> <p>13 Q. And you couldn't file the suit for some reason?</p> <p>14 A. That's exactly true. It was -- would have cost 15 more than I had available to me.</p> <p>16 Q. I see. So the whole deal was dropped basically and 17 you went on to something else?</p> <p>18 A. That's right.</p> <p>19 Q. What did you do after that?</p> <p>20 A. Texas Fire and Security Systems.</p> <p>21 Q. How did you become involved in that?</p> <p>22 A. My brother was in the burglar and fire alarm 23 business. The City of Austin passed a ordinance requiring 24 all apartments to have smoke detectors installed. I had 25 access to cheap smoke detectors that were UL listed. I made</p>		<p>1 Q. I didn't mean to imply that you weren't smart.</p> <p>2 A. No, I -- no. You learn as you do.</p> <p>3 Q. And so -- but your original training came from your 4 brother?</p> <p>5 A. Yes.</p> <p>6 Q. And how did he receive his training in that field?</p> <p>7 A. He was in law enforcement originally. And he did 8 inspections, he investigated fires, investigated burglaries, 9 things like that. And from law enforcement, he went into 10 this particular type of business, work.</p> <p>11 Q. Does he have a license in that area?</p> <p>12 A. Yes, he does.</p> <p>13 Q. Is that in the state of Ohio?</p> <p>14 A. He's licensed in many states. He does work across 15 the nation. He works for the federal government.</p> <p>16 Q. Okay. Do you still have a license in Texas for --</p> <p>17 A. No.</p> <p>18 Q. -- installation, inspection of burglar and fire?</p> <p>19 A. No.</p> <p>20 Q. When did you let that license lapse?</p> <p>21 A. When I sold the company to Network Security, there 22 was no reason for me to be licensed anymore.</p> <p>23 Q. Okay. Did the state of Texas require any 24 additional training to keep your license?</p> <p>25 A. All I had to do -- well, for the fire -- there were</p>	

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

<p style="text-align: right;">17</p> <p>1 two different licenses I held. 2 Q. Explain those to me. 3 A. One was the security license. And that was in 4 three stages. There was the installation of burglar alarms, 5 there was running a guard company, and there were private 6 investigations. I sat for all three parts and passed all 7 three parts and was qualified in all three areas. The fire 8 marshall required that anybody doing the installation of 9 anything involved with fire alarms or fire signals be 10 licensed by the state fire marshall's office. I sat for that 11 test, passed that, and did a physical demonstration for them 12 of an installation which qualified us to install them, 13 inspect them, and certify them. 14 Q. Okay. And after you received those two 15 licensures, let's talk about the fire one, was there any 16 further training -- 17 A. No. 18 Q. -- that was required? 19 A. No. Once you're licensed, you're licensed. 20 Q. So you just paid an annual fee? 21 A. That's correct. 22 Q. And no further classes that you had to take from 23 the state, or -- 24 A. No. 25 Q. -- any other agency?</p>	<p style="text-align: right;">19</p> <p>1 Colorado. And it was a small plant, only 100,000 square 2 feet. And we did that, then they said, how about our Las 3 Vegas facility. And we did that. And then they had this 4 enormous one on the west coast out in California. All in 5 all, I think we did about 10 of them. 6 Q. When you started this business -- correct me if I'm 7 wrong -- it was only -- you were only installing fire 8 detection systems? 9 A. Fire. Not fire alarms. Smoke detectors. That's 10 all I -- my wife and I started it on our dining room table 11 selling smoke detectors. 12 Q. And it just built from there? 13 A. Yes. 14 Q. When did you become involved in selling fire 15 suppression systems? 16 A. Almost immediately. Once we were doing the smoke 17 detectors -- my wife doesn't remember these things, but I do. 18 A place by the name of Scopes Slide Service in Austin, Texas 19 was a company that stored valuable records, Lyndon Johnson's 20 personal diaries, things like that, and they needed a special 21 fire suppression system so if there was a fire -- if there 22 was a fire or if the thing was inadvertently activated, it 23 wouldn't damage the records. And that was my first exposure 24 to Halon fire suppression systems. 25 Q. What year would that have been?</p>
<p style="text-align: right;">18</p> <p>1 A. No. 2 Q. Now, let's talk a little bit about Texas Fire and 3 Security Systems. What exact kind of systems were sold by 4 your company? 5 A. We sold burglar alarm systems from protecting this 6 room to protecting this entire complex. We had national 7 accounts like Kentucky Fried Chicken where we protected 8 individual Kentucky Fried Chicken stores. We picked up -- we 9 did work for Pepsi-Cola Bottling Company, Pepsico. We 10 protected their entire bottling facilities with key access, 11 security, fire alarm, fire suppression, the whole deal. 12 Q. Okay. These are all done on a contractual basis? 13 A. Yes. 14 Q. And each work, each job that you did was an 15 individual contract -- 16 A. Yes, it was. 17 Q. -- for a company? And you would -- how did you 18 sell these systems? How did you obtain the businesses -- I'm 19 sorry, the contracts that your business -- 20 A. I would go out and sell them. 21 Q. Did you actually go out and do the leg work and 22 talk to the companies that may need the systems? 23 A. Yes. I met with the -- Pepsico was headquartered 24 in New York at that time, and I went to New York, visited 25 with them, and they gave me one in Colorado, Pueblo,</p>	<p style="text-align: right;">20</p> <p>1 A. That would have been about 1982, '83, right in that 2 area. 3 Q. And so this Scopes Slide Service specifically 4 requested your company to get them -- 5 A. Install a Halon fire suppression system. That was 6 the first time I ever used Halon. 7 Q. How did you obtain the Halon systems that your 8 company used? 9 A. I bought it through a distributor. 10 Q. Do you remember the name? 11 A. It was called Alarm Supply from Dallas, Texas. 12 Q. And you just researched different places that 13 provided these kind of systems and came up with this place? 14 A. People that -- these big alarm supply stores 15 generally sell everything, and they're your source of 16 information. 17 Q. When you got involved in fire suppression systems, 18 did you personally do any research or training regarding 19 these kind of systems? 20 A. Well, I knew -- already knew how to install 21 plumbing for any type of system. I had done that for my 22 brother. Okay? We had installed sprinkler systems, and I 23 knew how to bend pipe, and I knew how to make the connections 24 and do the plumbing. Beyond that, a Halon system is very 25 uncomplicated. All it is is a fire extinguisher with a pipe</p>

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

<p style="text-align: right;">21</p> <p>1 coming out of it going to an end, and it's activated by a 2 detector or a pull -- manual pull station. It's a very 3 simple system. 4 Q. So it wasn't -- 5 A. It's a no brainer. 6 Q. I understand. After you installed this first 7 system for Scopes Slide Service, did you have occasion to 8 sell other Halon fire suppression systems? 9 A. This became my showpiece. 10 Q. It was your main business? 11 A. It was -- it became my showpiece, because back then 12 the little laptops we use for our computer, they used to be 13 in a room larger than this, and they had to be protected. 14 And Halon was a perfect agent for protecting a computer room. 15 And as big companies computerized and they got their computer 16 room, this was a natural. 17 Q. How long did you stay involved in that kind of 18 business, installing and maintaining? 19 A. Until we sold to Network Security. And we sold to 20 Network Security in 1987. 21 Q. Did your company also have contracts with these 22 companies that you installed the systems in to maintain the 23 systems? 24 A. Yes, we did. 25 Q. And so you maintained every system that you</p>	<p style="text-align: right;">23</p> <p>1 A. I had many crews. At one point, our company 2 employed as many -- with guards and installers and 3 everything, as many as 200 people. 4 Q. But did you personally do these? 5 A. Oh, yeah. I was hands on. I'd sell it, I'd 6 install it. I mean, I was out there with the guys. 7 Q. Are you familiar with Underwriters Laboratory? 8 A. I sure am. 9 Q. And the systems that you sold, meaning the Halon 10 fire suppression systems, were they listed by Underwriters 11 Laboratory? 12 A. Every single system I installed was a UL system. 13 It is not just the equipment. It is the way the system is 14 installed, how the wires are run, whether they are in 15 conduit, whether they are wires with the proper coating. I'm 16 trying to think of the proper coating. It's been so long 17 now. Red wires with proper coating. They can either be 18 teflon coated, I think, or they can be -- or they're put in 19 conduit. But Underwriters Laboratory has specific rules and 20 regulations, a book that thick, on certain installation, and 21 every system we put in, whether a burglar alarm or fire alarm 22 system, was UL certified, because I had the ability to 23 certify a system for Underwriters Laboratory. 24 Q. How did you get that ability? 25 A. By having my license with the state of Texas.</p>
<p style="text-align: right;">22</p> <p>1 installed? 2 A. Yes, we did. 3 Q. Did Texas require maintenance by a certain period 4 of time? Meaning, were the systems required to be serviced 5 every so often by months or years? 6 A. The City of Austin had an ordinance that required 7 fire suppression systems in restaurants to be serviced 8 annually. They had another requirement that required 9 sprinkler systems to be serviced semiannually. 10 Q. I see. And so you had supplied fire suppression 11 systems to restaurants in the Austin, Texas area? 12 A. Yes. 13 Q. And in other areas as well? 14 A. Yes. Because our company gradually grew, we were 15 -- we bought a company in Colorado Springs. I started a 16 company in Phoenix, Arizona. And so we had three branches. 17 There were two other branches besides Austin. And we were 18 all over the state of Texas. We were in Houston, Dallas, 19 Fort Worth. We were everywhere in Texas. 20 Q. The other areas where you installed these, did they 21 also have requirements for maintenance? 22 A. Dallas did, Houston did. All the big cities in 23 Texas were going that way. 24 Q. Did you have a crew that would do this kind of 25 maintenance work, or did you do it personally?</p>	<p style="text-align: right;">24</p> <p>1 Q. So automatically through having that license, you 2 were -- 3 A. Yes. I sat for a test for Underwriters Laboratory 4 one time, too, and that gave me that. 5 Q. What did that involve? 6 A. Just taking a test showing that you understood the 7 book. 8 Q. So they would give you a book to study, you studied 9 it, then you took a test? 10 A. Yes. 11 Q. Then you became certified by Underwriters 12 Laboratory? 13 A. Yes. 14 Q. Did you have an actual certificate from 15 Underwriters Laboratory? 16 A. I'm sure I did someplace a long time ago. 17 Q. You don't have it anymore? 18 A. No. 19 Q. Do you still have any of the books that you would 20 have studied? 21 A. No. 22 Q. Do you still have any maintenance or catalogs or 23 anything from that business in Texas? 24 A. Anything that I had was moved en masse to 25 Marshburg, Pennsylvania, and it was stored beneath the</p>

<p style="text-align: right;">25</p> <p>1 Rainbow Inn, and it was all destroyed in the fire. 2 Q. I see. When you say that you had installed some of 3 these systems in Texas and other areas in restaurants, about 4 how many of those jobs would you have done? Many? 5 A. Couple dozen. 6 Q. Were any of the type of fire suppression systems 7 that would have gone over the hood of a stove? 8 A. Oh, yeah. I installed the brand name Ancil system 9 from time to time. 10 Q. Why would you have installed an Ancil system rather 11 than -- 12 A. People specifically asked for it. 13 Q. Okay. When -- if people didn't ask for an Ancil 14 system, would you just normally install a Halon system? 15 A. I'd ask them what they wanted. A Halon system was 16 generally a little bit more expensive, but I would explain 17 the differences. 18 Q. What were the differences? 19 A. Ancil system brings down foam, and once it's done, 20 you have to clean it up. And that foam is not necessarily 21 easy to clean up. The Halon system just brings down an inert 22 gas that goes directly to the source of the fire and 23 eliminates it. It takes the oxygen away from the fire. It 24 actually seeks out the fire and takes away the oxygen. 25 Q. In your opinion as an installer and maintainer of</p>	<p style="text-align: right;">27</p> <p>1 A. Yes. 2 Q. That's the only place you ever installed -- 3 A. It's the only place you'd need it. 4 Q. So you wouldn't ever install it in the dining area, 5 or the -- 6 A. No. No. 7 Q. And when you say, installed in the kitchen, was it 8 only usually above stoves, or -- 9 A. Above the stove in the hood. 10 Q. And nowhere else in the kitchen? 11 A. Keep in mind, the hood of a stove is not the little 12 hood you have in your kitchen. It's an enormous thing like 13 this table, and it has -- it actually locks stuff off, keeps 14 the air up in it. There's -- you know, if that gets full and 15 it's coming out, you've got a fire. 16 Q. I see. And these hoods are generally attached to 17 some kind of ventilation? 18 A. Yes. 19 Q. And the ventilation would then be blown by a fan to 20 the outside of the restaurant? 21 A. There's fans in the hoods, generally one on each 22 end, and they go into a plenum and then they have a duct work 23 that goes outside. 24 Q. So they're designed basically to suck air up into 25 the ventilation system and out of the building?</p>
<p style="text-align: right;">26</p> <p>1 these kind of systems, was there a better system for that? 2 A. Halon is the best one. 3 Q. For restaurant work? 4 A. It is in my opinion. It was really customer 5 friendly as far as clean up. The danger is in having one of 6 these things -- if somebody triggers it, these tanks are 7 very, very expensive. Halon is very expensive. 8 Q. So the expense to the restaurant could be great if 9 it's triggered? 10 A. Yeah. By accident. 11 Q. Would you recommend a Halon system for a restaurant 12 if you were asked? 13 A. No. 14 Q. Why not? 15 A. Because restaurants probably can't afford it. 16 Q. I see. So whenever you were advising these 17 restaurants as to which type of system they could have, what 18 would you tell them? 19 A. Well, I'd tell them there were two available. They 20 could use an Ancil system which was very simple and very 21 easy. Keep in mind, an Ancil system isn't cheap either. 3-, 22 \$4,000 back when I was doing it. And that was a lot of 23 money. A Halon system is about twice that. 24 Q. When you were installing these systems in 25 restaurants, was it only in kitchens?</p>	<p style="text-align: right;">28</p> <p>1 A. Yes. 2 Q. And where exactly on the hood would the fire 3 suppression system be located? 4 A. Right up top. Right in the center. Right across 5 the -- right across the center of it. 6 Q. So across the actual intake, air intake chamber? 7 A. You would have pipes up there, and then you'd have 8 rotating nozzles on there. You'd have your heat detectors up 9 in there to sense whether there was a fire or something, and 10 these would activate the system, and then the rotating 11 nozzles would just start dispensing what you needed. 12 Q. And they were actually designed to put out fires on 13 the stove themselves? 14 A. Yes. 15 Q. So if it was like a grease fire or an electrical 16 fire, it could put out any kind of fire? 17 A. Yes. 18 Q. Even if it was a natural gas fire, that kind of 19 thing? 20 A. Well, an explosion, you're not going to get any 21 help in an explosion, but a fire going there, it will put it 22 out. 23 Q. Okay. Why did Texas Fire and Security Systems go 24 out of business? 25 A. We didn't. We sold.</p>

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

<p style="text-align: right;">29</p> <p>1 Q. Okay. 2 A. At the time, the state of Texas was caught up in 3 the savings and loan scandal. The Bush family was behind it, 4 obviously. But, anyway, the savings and loan scandal -- 5 banks were going out of business. We had about a half 6 million dollar loan floating at all times, construction 7 loans, things like that. My bank went out of business. They 8 were taken over by somebody else. The state -- the federal 9 examiners started coming in, calling notes. My note got 10 called. I couldn't pay it off. I couldn't get other outside 11 funding, so I found a white knight to buy me out, give me a 12 job and take over my existing contracts. We were a valuable 13 commodity. We had major contracts with Kentucky Fried 14 Chicken, Pepsi-Cola, Xerox. We had -- I had something I 15 could sell.</p> <p>16 Q. Okay. In what time frame are we talking about when 17 the lawsuit against Texas Fire and Security Systems occurred? 18 How many years prior to your selling the business did that 19 occur?</p> <p>20 A. It was all happening at the same time.</p> <p>21 Q. So the lawsuit was still going on when you sold the 22 business?</p> <p>23 A. Yes. And I gave them a hold harmless clause.</p> <p>24 Q. So you -- are we talking about the lawsuit where 25 you were being sued, or the lawsuit that you sued the law</p>	<p style="text-align: right;">31</p> <p>1 A. Yes. 2 Q. In what capacity did your wife serve the company? 3 A. She was the boss. 4 Q. What was her day-to-day activity? 5 A. She ran the -- she ran the day-to-day activity of 6 the company. She handled all the paperwork, all the banking. 7 Q. She was like an office manager, business manager 8 type of person? 9 A. Yeah. Yeah. All the guys answered to her. She 10 knew. When I wasn't around, they answered to her. 11 Q. When the business was sold, what did your wife do? 12 A. She went to work at Network Security as the branch 13 manager for Austin, Texas. All she did was keep her 14 capacity, got a title, and they merged their smaller business 15 into our larger business. 16 Q. So you were both working for the same company? 17 A. Yes. 18 Q. How many years did you stay with Network Security? 19 A. Oh, about 12 or 13 months. After one year was up 20 and they got everything they needed from us, they got rid of 21 us. That's par for the course when you sell your business. 22 Q. And what did you do after that? 23 A. We went to -- went back to Pennsylvania, bought the 24 Rainbow Inn. 25 Q. What year was that?</p>
<p style="text-align: right;">30</p> <p>1 firm? 2 A. I was suing the law firm back at that time. 3 Q. Okay. So the other lawsuit had been -- 4 A. They had already had a judgment against Texas Fire 5 and Security. 6 Q. Okay. And then you had already started the other 7 lawsuit and the business was sold? 8 A. Yeah. 9 Q. Okay. When you sold the business, did you say that 10 you were given a job by the company that bought the business? 11 A. I was vice president of sales. 12 Q. And did you stay in Austin? 13 A. Yes. I travelled all over the country out of 14 Austin, though. 15 Q. As a sales representative for the company? 16 A. Yeah. 17 Q. But you were residing in Austin? 18 A. Yes. 19 Q. And you weren't married, or you were married at 20 this time? 21 A. Of course. 22 Q. Okay. 23 A. 25 years March 11. I knew. 24 Q. Good for you. Your wife had stated that she worked 25 for Texas Fire and Security Systems.</p>	<p style="text-align: right;">32</p> <p>1 A. We started it in '88 and finally concluded the sale 2 in '89. 3 Q. When you say you started it in '88, that means you 4 were putting out inquiries? 5 A. No. We began to buy it. It took forever with the 6 Pennsylvania State Liquor Control Board to get the thing 7 transferred over. 8 Q. The license? 9 A. Yes. I took over the Heasley's establishment as 10 their manager. I became the manager. I paid them monthly 11 rent and I ran the business myself the way I saw fit. 12 Q. And they were still the property owners at that 13 time? 14 A. Yes. 15 Q. That was because of the liquor license problems? 16 A. Yes. 17 Q. And when you finally obtained the liquor license 18 from the Heasleys, that was when you actually completed the 19 sale? 20 A. That was in January of 1989. 21 Q. Now, we already had some information from your wife 22 regarding how the business started and what building it was 23 in. There was another restaurant on this property; is that 24 correct? 25 A. Yes.</p>

<p style="text-align: right;">33</p> <p>1 Q. That had burned down?</p> <p>2 A. There were two buildings. There was the restaurant 3 down front by the road, and behind it, immediately behind it, 4 was a two-story building. It was an eight room motel. The 5 motel rooms were upstairs. Downstairs there were like garage 6 doors and there was storage underneath it.</p> <p>7 Q. I see. And what year did the -- I'm sorry, let me 8 go back a little bit. When the property was purchased, whose 9 name was on the deed?</p> <p>10 A. My wife's and mine.</p> <p>11 Q. Personally?</p> <p>12 A. Yes.</p> <p>13 Q. Has that ever changed?</p> <p>14 A. No. We still own the property.</p> <p>15 Q. As individuals?</p> <p>16 A. Yes.</p> <p>17 Q. When did you start the Walter Beck Corporation?</p> <p>18 A. When we were buying the property. We were buying 19 the liquor license.</p> <p>20 Q. So was it the Walter Beck Corporation that was 21 applying for the liquor license?</p> <p>22 A. Yes.</p> <p>23 Q. Okay. And you were just registered in the state of 24 Pennsylvania as a corporation?</p> <p>25 A. Yes.</p>	<p style="text-align: right;">35</p> <p>1 reelected in 1999, from that point on, I really did little, 2 if any, work. Like I didn't tend bar anymore, whatever, at 3 the bar. And I just -- I was doing other things from that 4 point on.</p> <p>5 Q. So your involvement in the Rainbow Inn was limited 6 at best?</p> <p>7 A. Yes. I was a personality that people would come to 8 see there, and I was one of their best customers.</p> <p>9 Q. You weren't drawing any kind of salary or income --</p> <p>10 A. No.</p> <p>11 Q. -- from Walter Beck Corporation?</p> <p>12 A. No. If anything, I was supporting it.</p> <p>13 Q. What --</p> <p>14 A. No. There isn't a thermostat in here. I looked.</p> <p>15 Q. It is hot in here.</p> <p>16 A. We could open up that door if you want.</p> <p>17 Q. How did the arrangement for the lease of the 18 Rainbow Inn property come about? How did you decide that you 19 and your wife would own the property individually and lease 20 it to Walter Beck Corporation?</p> <p>21 A. The accountant insisted we do that for IRS 22 purposes.</p> <p>23 Q. Okay. Did he give you any reason that it would be 24 a better arrangement for you?</p> <p>25 A. At some point in time, she expected the business to</p>
<p style="text-align: right;">34</p> <p>1 Q. Has that ever changed? Were you ever registered 2 elsewhere?</p> <p>3 A. No.</p> <p>4 Q. How was the corporation set up? Who were the 5 officers? Who was in charge of the corporation?</p> <p>6 A. Initially, my wife and I were officers. I was 7 president. She was vice president, secretary-treasurer and 8 sergeant at arms. And that stayed that way until about 1994 9 when I decided to run for public office.</p> <p>10 Q. And due to your running for public office --</p> <p>11 A. I was running for county commissioner in 1995 and I 12 took myself off of the liquor license completely because of 13 the law saying that public officials can't be involved with 14 liquor licenses.</p> <p>15 Q. I got you. Did you remain involved in the business 16 in other capacities even though you were no longer an officer 17 of the corporation?</p> <p>18 A. I paid bills for her. I was a bouncer. I was a 19 bartender. I was a cook.</p> <p>20 Q. Was there any time where you would not have 21 considered yourself an employee of the Walter Beck 22 Corporation?</p> <p>23 A. From the time that I divested myself of my -- I 24 would say I was a customer of the Walter Beck Corporation 25 more than an employee. Probably from the -- when I was not</p>	<p style="text-align: right;">36</p> <p>1 make money. And when it did, we had to be able to show 2 offset. The company lost money year after year after year. 3 I subsidized it. But it was something my wife enjoined doing 4 and we kept it. It was something that we liked and we kept 5 it. And at the point in time the company -- at this date, 6 the Rainbow Inn would owe me -- I have a figure somewhere. I 7 don't know how much it is, but it's a lot of money. And if 8 it started making money, I could start recouping the money I 9 lent to it.</p> <p>10 Q. Was the money that you lent personally to the 11 Walter Beck Corporation, was that ever written down on a 12 document, like a promissory note or any legal document?</p> <p>13 A. No.</p> <p>14 Q. So how would that amount of money be supported if 15 you were to collect it? How would you prove what money is 16 owed to you?</p> <p>17 A. We would probably have done it after the fact 18 backwards. Because it -- you know, there was -- I personally 19 paid the mortgage every month. I personally paid the 20 insurance payments every month. There were things that were 21 never figured into the expenses that were on your IRS forms 22 that I personally paid for. If I went down to town and 23 picked up beer, I paid for it with cash and I brought it up 24 and put it in the inventory. If I bought liquor, I paid for 25 it with cash and I put it in the inventory.</p>

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

<p style="text-align: right;">37</p> <p>1 Q. Were any of those amounts that you lent to the 2 Walter Beck Corporation ever reflected on your personal 3 income tax? 4 A. Never. 5 Q. Do you know how the original building burned down 6 on the property? 7 A. It was an electrical fire. An inspector came in 8 from Columbus, Ohio and showed us exactly where the line from 9 the pole to the bar shorted out causing the fire. 10 Q. Was there any type of litigation over that fire? 11 A. No. 12 Q. Did you receive an insurance payment due to that 13 fire? 14 A. Yes. 15 Q. Who was your insurer at that time? 16 A. Potter County Grange. 17 Q. And how did you purchase that insurance policy? 18 Through whom? 19 A. That was the policy that was on the building when I 20 bought it from the Heasleys, and the agent came out and he 21 just switched it over into our name. 22 Q. Do you know who that agent was? 23 A. No. 24 Q. So you continued to make the premium payments after 25 the Heasleys sold you the business?</p>	<p style="text-align: right;">39</p> <p>1 A. I forgot what agency it was. I didn't go to 2 Sundahl until about 1997 or '98. 3 Q. Okay. Who were you insured by after Potter County 4 Grange? 5 A. I couldn't tell you. 6 Q. You don't know the overall company either? 7 A. No. 8 Q. Was there a reason that you switched from that 9 policy to the policy that you had? 10 A. Money. Money. I shop around. I used to sell 11 insurance. 12 Q. So a lower premium? 13 A. Yes. And I would shop for coverage. I'd shop for 14 money, you know. 15 Q. And was the next policy that was written for you 16 the one that was written by Sundahl? 17 A. Yeah. Well, once I went with Sundahl, I didn't 18 switch again. 19 Q. And your original policy with Sundahl was the 20 policy that you had in 2003, the same policy? 21 A. Yes. Actually, I was with Sundahl from about 1995 22 on. I think it was about the time I became county 23 commissioner. 24 Q. At the time that the original building burned, the 25 original restaurant building burned, how long had it been in</p>
<p style="text-align: right;">38</p> <p>1 A. Yes. 2 Q. And the policy was transferred? 3 A. Yes. 4 Q. Was it transferred to your name personally, or -- 5 A. No. It was changed to the name of the corporation. 6 Q. So the corporation owned that policy? 7 A. Yes. 8 Q. So was it then -- was the policy then done as kind 9 of a renter's insurance since the building was being leased, 10 or was it -- how did that work? 11 A. Just insured the building. 12 Q. Just insured the building itself? 13 A. Yeah. 14 Q. Okay. And why are you no longer -- why were you in 15 2003 no longer insured by Potter County Grange? 16 A. They went out of business. 17 Q. In what year would that have been? 18 A. I have no idea. But I never -- once the -- once we 19 had the first fire and we did the renovation, were getting 20 ready to open for business, a local agent, a fellow just down 21 the road came and said, I'd like to write your insurance for 22 you. 23 Q. That was the Sundahl Agency? 24 A. No. 25 Q. Who was that?</p>	<p style="text-align: right;">40</p> <p>1 operation as a restaurant? 2 A. Since 1934. 3 Q. And had you personally -- or, I'm sorry, the Walter 4 Beck Corporation operated that original building as a 5 restaurant prior to its burning down? 6 A. Yeah. We operated it. We took possession of it 7 legally in January of 1989 and it burned down in February of 8 1989. 9 Q. So only for a month? 10 A. Yes. 11 Q. Were you operating it? Were you familiar with the 12 equipment that was in that restaurant in that period of time? 13 A. Yes. 14 Q. Did that restaurant have a fire suppression system? 15 A. No. 16 Q. Not at all? 17 A. Not at all. That was something that was an 18 improvement I had intended to make. 19 Q. After you took over the business? 20 A. Yes. 21 Q. Do you know if your original insurance policy that 22 you had with Potter County Grange required that restaurant to 23 have a fire suppression system? 24 A. I don't know. 25 Q. Do you know if the interim insurance policy that</p>

<p style="text-align: right;">41</p> <p>1 you got required any restaurant that Walter Beck Corporation 2 was maintaining or owning to have a fire suppression system? 3 A. I don't know whether the policy required it, but I 4 did have it. 5 Q. Okay. Now, when you remodeled the motel building, 6 you, meaning Walter Beck Corporation -- 7 A. What I just -- the answer I -- I had thought that 8 you were just talking about the new remodel. 9 Q. That's what I was talking about. 10 A. Okay. 11 Q. You didn't get that interim insurance policy until 12 the remodel, correct? 13 A. Well, that's right. I -- you know, the motel was 14 back there. It was -- we didn't have insurance on the motel 15 because I didn't see the motel as worth anything until the 16 other building was gone and that was the only source of going 17 back into it. 18 Q. I see. Now, when you -- when I keep saying, you, 19 I'm really referring to the Walter Beck Corporation because 20 Walter Beck Corporation owned these establishments. So when 21 I'm saying, you, that's what I am referring to. 22 A. Yeah. I ceased to be the Walter Beck Corporation 23 in 1994. 24 Q. I understand that. But at the time, you were the 25 Walter Beck Corporation when the building was remodeled,</p>	<p style="text-align: right;">43</p> <p>1 A. I think so. 2 Q. Would he have any of the original plans on record? 3 A. I doubt it. He did it for us as a favor, relative. 4 He came on down and we lined it out, and he said, you need 5 this, you need this, you need this. 6 Q. Okay. 7 A. This is the way it will work. 8 Q. And after he laid it out, you then -- you, meaning 9 Walter Beck Corporation, then hired a contractor to do the 10 work? 11 A. Man's name was Douglas DuPont. 12 Q. Is he still in business? 13 A. No. 14 Q. Is he alive? 15 A. I don't know. 16 Q. Where was his business located? 17 A. In Bradford. He had a -- he was a plumbing 18 contractor. He went through a big time bankruptcy. 19 Q. Okay. 20 A. About 10 years ago, I guess. 21 Q. And no one took over his business? 22 A. No. They went out of business. They lost 23 everything. 24 Q. So then all the business records would be gone? 25 A. I think he lost his house, too.</p>
<p style="text-align: right;">42</p> <p>1 correct? 2 A. Yes. 3 Q. Okay. Now, how long of a process was it between 4 the original fire and the remodeling of the motel? 5 A. The fire was in February. We began remodeling 6 April 1, and we were open on May 28. 7 Q. Mr. McDyer, when he was questioning your wife, 8 asked her if there was any consultation with anyone regarding 9 the remodeling of the motel into a restaurant. Do you recall 10 that? 11 A. Yes. 12 Q. Was there any consultation? 13 A. Her -- her cousin is an architect. He laid it out 14 for us. 15 Q. Do you know his name? 16 A. David. David Walter. 17 Q. David Walter. 18 A. Uh-huh. 19 Q. Does he do business in McKean County? 20 A. Yes. He's out of Jamestown. 21 Q. Jamestown, New York? 22 A. Yeah. He drew up a -- he drew up several sets of 23 plans for us. One was to build a new building on the old 24 site. One was the renovation of this one. 25 Q. Is he still in business in Jamestown?</p>	<p style="text-align: right;">44</p> <p>1 Q. And after the work was completed by Mr. DuPont, had 2 there been -- have there been any major changes to that 3 building up to the time of the fire? 4 A. The building was initially a two-story rectangular 5 building. We didn't want steep steps going up to a second 6 story bar so we built a series of decks around the bar on the 7 west side and the north side of the -- west side and the 8 south side of the bar. And there were three decks that 9 ascended every fourth -- four steps to the first deck, four 10 steps to the second deck, four steps to the top deck, which 11 was then at the -- on the level of the bar. And it was 12 initially the building with the decks around it. After the 13 first year, we realized that these decks in Bradford, 14 Pennsylvania, Marshburg, Pennsylvania, we could only use them 15 about maybe a month because it was so cold, and we really 16 wanted a larger dining area. So I hired a man by the name of 17 Paul Pingy (ph.), and I assisted him, and we put -- we 18 enclosed the decks on the west side of the building and we 19 made that a dining room with big glass windows facing the 20 forest and big windows in the front, and we had a bottom 21 entrance to the dining room down here and a top entrance to 22 the bar up top on the side of the deck. My wife didn't 23 describe that very well to you. And so we enclosed the west 24 side decks and made that a dining room. 25 Q. Okay. Was that the only renovation that would</p>

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

45

47

- 1 have --
- 2 A. That was a major improvement. That was the last
- 3 major improvement we made to the place.
- 4 Q. How about minor improvements?
- 5 A. The Halon system that I initially installed had to
- 6 be replaced.
- 7 Q. Let's talk about the installation of the Halon
- 8 system. When would -- when was that system installed?
- 9 A. May of 1989.
- 10 Q. So when the original remodeling of the motel into a
- 11 restaurant occurred?
- 12 A. That's right.
- 13 Q. And in May of 1989, was that when the entire
- 14 kitchen was installed --
- 15 A. Yes.
- 16 Q. -- as well? Okay. Can you describe the stove that
- 17 was in that kitchen?
- 18 A. It was a five-foot long Garland cast iron stove.
- 19 It was -- it worked off of propane gas. It had a griddle
- 20 top, four burners, and two ovens underneath it.
- 21 Q. Did you say four burners?
- 22 A. Yes. Actually, it had a place for six. We had
- 23 another griddle in the middle. There were two more burners.
- 24 It could have been a six burner if I wanted.
- 25 Q. And there was a double stove underneath?
- 1 and you began to work on the --
- 2 A. Yes.
- 3 Q. -- fire suppression?
- 4 A. And, again, like I said, that is a no brainer.
- 5 That is something that can be done in a matter of five, six
- 6 hours.
- 7 Q. What year are we talking about?
- 8 A. 1989 initially.
- 9 Q. May of '89?
- 10 A. Yeah.
- 11 Q. So the decision as to what type of fire suppression
- 12 system would be originally installed under the hood --
- 13 A. Was mine.
- 14 Q. That was your personal decision?
- 15 A. Yeah.
- 16 Q. Did you consult with your brother about it at all?
- 17 A. Yeah. Well, he said, why do you want to spend so
- 18 much money? I said, because it's the best one.
- 19 Q. So it was your decision to put the original Halon
- 20 system in?
- 21 A. Yeah. I liked it.
- 22 Q. Was it the same type of system that you were
- 23 selling in Texas?
- 24 A. Sure was.
- 25 Q. Was it the same manufacturer?

46

48

- 1 A. Yeah.
- 2 Q. Where did you purchase the stove for the
- 3 establishment?
- 4 A. Some restaurant supply place in Erie.
- 5 Q. In Erie? You don't remember the name?
- 6 A. No.
- 7 Q. Was it purchased new or used?
- 8 A. New.
- 9 Q. And what kind of hood was over this stove?
- 10 A. That was a -- the hood was 12 feet long and I
- 11 believe three or four feet wide. It was enormous. It was
- 12 overkill for our kitchen. In fact, when you would work on
- 13 it, you would actually have to duck under totally. It would
- 14 come down on almost eye level and I would work inside it.
- 15 Q. Your head was actually under the hood?
- 16 A. Yeah.
- 17 Q. Who installed the hood and the duct work?
- 18 A. Doug DuPont's people did the manual installation of
- 19 the hood and the duct work. My brother came and I assisted
- 20 him in the actual hook up of the system that went with it.
- 21 Q. When you say, the system, you mean the fire
- 22 suppression system?
- 23 A. Yes. Because they're one and the same. They work
- 24 hand and glove.
- 25 Q. So as soon as the hood was installed, your brother
- 1 A. The parts vary. You know, you've got different
- 2 people that make the control panels that activate it. Over
- 3 the course of the history of that system, I replaced the
- 4 control panel several times. You would have things like
- 5 lightning strikes that would take out the burglar alarm
- 6 system and that -- and that would kill the system, and you
- 7 would have to replace that immediately.
- 8 Q. Okay.
- 9 A. Actually, it got to the point where lightning was
- 10 so bad there for awhile, I had extra equipment there that I
- 11 could replace at any time.
- 12 Q. Let me ask you this. I will warn you right away I
- 13 am completely unfamiliar with these kind of systems, so the
- 14 questions that I ask you may seem very simple and no brainer.
- 15 A. No problem.
- 16 Q. But I know nothing about these. When you purchase
- 17 a Halon fire suppression system, what do you purchase? What
- 18 is it?
- 19 A. You are basically purchasing two big tanks of Halon
- 20 gas. You are purchasing a control panel that reads the
- 21 sensors and throws a switch when the sensors are activated to
- 22 dispense the gas.
- 23 Q. Okay. When you purchase one of these systems, do
- 24 you purchase the components separately or together?
- 25 A. You purchase -- whoever gives you the best price.

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

<p style="text-align: right;">49</p> <p>1 I mean, if you're going to buy a control panel and you got a 2 good price on the control panel one place, you buy it there. 3 If you're -- if you go to buy the tanks -- and the tanks come 4 in all different sizes and all different pressures, so you 5 can -- you go where the best price is.</p> <p>6 Q. When you purchased the original system that was 7 installed in May of 1989, do you remember any of the 8 suppliers who sold you the components?</p> <p>9 A. No.</p> <p>10 Q. Would these have been suppliers that you may have 11 worked with in Texas?</p> <p>12 A. Possibly.</p> <p>13 Q. Could they also have been suppliers that supplied 14 for your brother's business?</p> <p>15 A. Yes. And he changes them like he changes his 16 shirt, so --</p> <p>17 Q. Okay. So when you purchased this system in May of 18 1989 after consulting with your brother and deciding on the 19 best system, all you purchased were two tanks of Halon gas, a 20 control panel, the sensors, and the pipes?</p> <p>21 A. The rotating nozzles.</p> <p>22 Q. And the nozzles.</p> <p>23 A. Plumbing and all that.</p> <p>24 Q. And these would have all been purchased from 25 different suppliers or maybe the same supplier?</p>	<p style="text-align: right;">51</p> <p>1 actually have to do to install this thing? Take me through 2 step one through the final step.</p> <p>3 A. First thing you do is find a place where you are 4 going to put your tanks. And our place was on the ground 5 floor underneath the pantry. The pantry was immediately to 6 the right-hand side of the Garland stove. It was separated 7 by a wall, and there was a pantry there. We kept dry goods 8 in this area. And directly beneath it was a storage space, 9 and that was a nice clean dry place to store the tanks. So 10 we located the tanks there. We ran two sets of pipes. We 11 ran the copper tubing for the Halon gas to run in up the 12 wall, and then in above the hood, and then connected it to 13 where the nozzles would have to be. We had it come out in a 14 -- off as a T and then go down into the two nozzles. There 15 was also a third one in the actual plenum. When -- the concept 16 being that, if the fire is underneath, the chances are it can 17 get up into the duct work. And the idea was to kill any fire 18 that would be in the escape hatch. You know, the air going 19 outside. So we had -- there were actually three in there. 20 And just sitting here listening, it refreshed my memory that 21 there was an active -- a device inside the plenum itself. Then 22 we connected the -- we'd have to place the heat detectors in 23 place, put them in place inside the hood, and then run the 24 wiring back to the panel. Okay. Then you'd make your 25 connection at the panel. In this particular installation, we</p>
<p style="text-align: right;">50</p> <p>1 A. A lot of this -- like the pipe, I could buy 2 locally. Okay. The nozzles, we may have had them laying 3 around. You know, these things, you use. Buying a 4 restaurant, if I had equipment -- you know, my first burglar 5 alarm system in there was equipment that I brought with me 6 from Texas. So for me to say I bought it brand new or 7 whatever, I can't say initially. But a lot of the stuff I 8 had. Wiring, I had. Conduit, I had. Things like that.</p> <p>9 Q. And anything that would have recorded any of these 10 purchases would probably have been lost in the fire?</p> <p>11 A. We kept all our records underneath the Rainbow Inn. 12 I had fixed it up there. I had a vault type thing there.</p> <p>13 Q. Would you have paid cash for all of these 14 components?</p> <p>15 A. Cash, check, whatever.</p> <p>16 Q. Did you ever attempt to retrieve any records, 17 banking records, that may have reflected these purchases?</p> <p>18 A. You know how many times these banks in Pennsylvania 19 have changed names?</p> <p>20 Q. Yes, I do.</p> <p>21 A. Okay.</p> <p>22 Q. So it would be impossible to --</p> <p>23 A. Yes.</p> <p>24 Q. Okay. Take me through the process of the actual 25 installation of the original Halon system. What did you</p>	<p style="text-align: right;">52</p> <p>1 had two more heat detectors that I put in out away from the 2 hood in the kitchen itself. I was afraid of fire. After 3 that first fire, I was afraid of fire. And so I wanted the 4 entire kitchen protected. Because grease could have fallen 5 on the floor, set something on fire, whatever, anything. And 6 I just wanted -- if we had a fire, it could be activated. 7 We had a manual pull station on that wall separating the 8 panel and the Garland stove. It was right there on the wall. 9 It was pretty much like that one there.</p> <p>10 Q. And you're referring to a pull alarm system that's 11 installed in this room.</p> <p>12 A. Yes. But that thing, that alarm -- by pulling 13 that, though, that would activate the Halon gas. The heat 14 detector didn't have to go off. That was a fail safe. If we 15 had a fire on the stove and the heat detectors didn't 16 activate, the employee could still pull that thing and put 17 the fire out.</p> <p>18 Q. Okay. And --</p> <p>19 A. All you do is make the connections.</p> <p>20 Q. The electrical connections and the --</p> <p>21 A. Yeah.</p> <p>22 Q. -- gas connections?</p> <p>23 A. We had backup batteries on it to make sure if the 24 power went out, it would operate on a 24 hour basis. We had 25 to have a backup power supply that would keep the system</p>

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

<p style="text-align: right;">53</p> <p>1 alive for 48 hours. 2 Q. And why is that? 3 A. That's an Underwriter Laboratory requirement, as I 4 understood it. 5 Q. Okay. Prior to your installing this system in 6 1989, did you do any research into Underwriters Laboratories' 7 requirements regarding these systems and their components? 8 A. Of course. I was -- I had the book. 9 Q. I know you were licensed in Texas. 10 A. Yes. 11 Q. Do you know of any changes which may have occurred 12 since you got that original book and the time that you 13 installed it in 1989? 14 A. No. No. It's pretty cut and dry. There aren't 15 any improvements to wiring and conduit and things like that. 16 Q. So you were under the impression that the book that 17 you studied to get your original license, or your original 18 certification from Underwriters Laboratories hadn't changed 19 in any significant way at the time that you installed this 20 system? 21 A. There were improvements to Underwriters Laboratory 22 or additions, but there weren't any changes from the basic 23 system I installed, because Underwriter Laboratories would 24 never approve, for example, a wireless burglar alarm system. 25 But now Underwriter Laboratories certifies wireless burglar</p>	<p style="text-align: right;">55</p> <p>1 away from us. And he wouldn't stay in Erie, Pennsylvania. 2 When he would come to see his son, he'd come and stay with 3 me. I had a big house right there. And so he was under foot 4 all the time. He was over the -- he liked to go over to the 5 bar recreationally, and every time he was there he'd walk 6 through and check everything. Keep in mind, I was doing 7 day-to-day checks on everything there, too, when I was there. 8 Q. How often would you say -- from May of 1989 until 9 any changes to this fire suppression system occurred, how 10 often would it be checked? 11 A. By my brother, a minimum of four, a maximum of 12 seven or eight times a year. 13 Q. And do you recall the actual process that he used 14 to check the system? What the step by step process was? 15 A. There's not a whole lot to check on this system. 16 Okay. You've got heat detectors that are there. And they 17 don't -- there's no way to check a heat detector. You don't 18 test the heat detector. Once it activates, you have to 19 replace it. So it either works or it doesn't work. And the 20 nozzles, you can spin them with your finger. If they spin 21 with your finger, they're not clogged up. As far as cleaning 22 the hood and plenum, that was something that was done on a 23 regular basis because Sharyn was very meticulous about -- 24 she'd look in that hood and see a spec of grease and she 25 wanted that cleaned. And the fans, they need -- you needed</p>
<p style="text-align: right;">54</p> <p>1 alarm systems. 2 Q. But you were comfortable that the system that you 3 installed and its components would have been certified by 4 Underwriters Laboratories? 5 A. Yes, I was. 6 Q. And specifically certified for being a fire 7 suppression system for a restaurant -- 8 A. Without a doubt. 9 Q. -- hood? Okay. When this system was being 10 installed, and we went through the whole process, was your 11 brother there for the entire process? 12 A. Yes. He came over for the day. He liked to get 13 away. 14 Q. Sure. And do you have any recollection whatsoever 15 of the cost of any of the original components that you 16 installed? 17 A. I think the whole system was somewhere around 6- or 18 \$7,000. And I'm using that as a rule of thumb. I knew what 19 they cost, and I was getting it wholesale, and that's about 20 what it cost me. 21 Q. After the system was installed in May of 1989, how 22 was it maintained? Meaning, who did the maintenance work on 23 it and how often was that maintenance work done? 24 A. My brother was always there. His son -- he had a 25 son living in Erie, Pennsylvania, which is just 60, 70 miles</p>	<p style="text-align: right;">56</p> <p>1 to clean those fans on a regular basis because the grease 2 would get up there and clog them up and they wouldn't work. 3 So that was something that was done all the time, the 4 degreaser, liquid degreaser, the whole works. 5 Q. Okay. There wasn't a specific schedule for 6 maintenance of this fire suppression system at that time, 7 from 1989 until the time it was changed? It wasn't, I'm 8 going to check it the first of every month, or -- 9 A. No. 10 Q. It was just when your brother happened to be in 11 town -- 12 A. Yes. 13 Q. -- visiting, he checked it? 14 A. Yes. It wasn't anything like it was being ignored, 15 though. 16 Q. No. I didn't mean to suggest that. 17 A. And the interesting thing about this system is you 18 you can physically eyeball it. It has a green ready light on 19 it. It has a yellow trouble light. It has a red light 20 indicating that you've got a problem. 21 Q. This was on the control panel? 22 A. Right on the control panel. 23 Q. Okay. 24 A. And that's something that you can physically 25 eyeball.</p>

<p style="text-align: right;">57</p> <p>1 Q. Was there any way to turn off the system -- 2 A. No. 3 Q. -- electrically? 4 A. If you unplugged it, it still was on -- 5 Q. Battery? 6 A. -- battery backup. Then you'd be putting up with 7 this irritating noise. It would beep every so often. 8 Q. I see. I meant to ask you and I forgot to ask you, 9 the fan that is in the hood that leads up into the -- 10 A. There were two fans. 11 Q. There were two fans. Okay. Where were the fans 12 located in relation to the hood? 13 A. They were in the hood on either end. Maybe a foot 14 or two in, I guess. I remember. 15 Q. Where were they in relation to the nozzles of the 16 fire suppression system? 17 A. They were outside of them. 18 Q. Meaning -- 19 A. There were two nozzles inside. The fans were out 20 here. 21 Q. Okay. The fans that were in the hood, were they 22 always on? 23 A. No. 24 Q. When were the fans on? 25 A. They would turn the fans on when they needed them.</p>	<p style="text-align: right;">59</p> <p>1 minute. But I couldn't tell you. I would -- when I turned 2 them on, I could suck all the heat out of the kitchen in the 3 wintertime in no time at all and make the barroom cold. So 4 I'd be careful. 5 Q. So they were -- 6 A. Powerful fans. 7 Q. Were they unusually powerful for the job that they 8 were doing? 9 A. It was a big hood. 10 Q. So they had to be powerful fans just to make the 11 hood useful? 12 A. Uh-huh. 13 Q. Okay. Do you recall at any time that it was 14 necessary to put on both fans at once? 15 A. Oh, yeah. 16 Q. I'm going to take you back a little bit because I 17 skipped some questions in my plan. 18 A. Okay. 19 Q. What were -- take me through a history of your 20 duties as they existed at the Rainbow Inn. What did you do 21 for the Rainbow Inn? 22 A. I did everything. 23 Q. Be a little bit more specific. 24 A. Sometimes I tended bar. Sometimes I cooked. I'd 25 do maintenance, clean.</p>
<p style="text-align: right;">58</p> <p>1 If it got too hot in the kitchen, they'd turn the fans on. 2 And you could turn one on, one off. You could use one or the 3 other. 4 Q. This was a manual switch to operate the fans? 5 A. Yes. 6 Q. And were the fans always on when the stove was in 7 use? 8 A. Not necessarily. 9 Q. How was the decision made? Was it just based on 10 the heat of the kitchen? 11 A. Yeah. If you couldn't stand the heat of the 12 kitchen, you turned on the fan. 13 Q. Got you. Was it also used in the event of maybe 14 smoke in the kitchen, or -- 15 A. Yes. 16 Q. But there was no particular procedure in place for 17 when these fans were supposed to be on or off? 18 A. No. 19 Q. It was just the decision of whoever was using the 20 stove? 21 A. Sure. I had fans in the barroom, too, to get smoke 22 out, and we turned them off and on, too. 23 Q. Do you have any knowledge of the power of the fans? 24 A. They were pretty powerful. I remember when I 25 bought them I used to say they did so many cubic feet per</p>	<p style="text-align: right;">60</p> <p>1 Q. This would have been 1989 until you ran for office? 2 A. Yes. And then I worked fulltime as a county 3 commissioner at the courthouse for four years. 4 Q. So you had occasion then to operate the stove and 5 the switches on the fans and all of the stuff in the kitchen? 6 A. Uh-huh. Yes. 7 Q. Okay. Thank you. And then in about 1994, was it, 8 that that duty ceased? 9 A. Yes. 10 Q. Did you have any specific hours of work for the 11 Walter Beck Corporation in 2003? 12 A. No. 13 Q. So this was the time when you were more of a 14 personality who was at the bar, or am I being -- 15 A. When I was there, I was a personality at the bar. 16 From 2000 on, I was. 17 Q. So you weren't really working at the Rainbow Inn at 18 that time? 19 A. No. If somebody got sick, I'd get behind the bar 20 and tend bar. 21 Q. Right. Okay. 22 A. If I was there. 23 Q. Can you give me a description of the dimensions of 24 the kitchen as they existed after 1989? 25 A. I couldn't say.</p>

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

61

1 Q. Did you hear your wife's description of the cooking
 2 appliances?
 3 A. Yes.
 4 Q. Would you agree with that?
 5 A. Yes.
 6 Q. Was there any --
 7 A. She left out the microwave.
 8 Q. Was it a big industrial microwave?
 9 A. Yeah.
 10 Q. Was that located near the stove, or --
 11 A. No. It was over by the sink.
 12 Q. Now, you had mentioned earlier that at some point
 13 the fire suppression system was changed in some way.
 14 A. Yes.
 15 Q. Can you describe that?
 16 A. We replaced the tanks about 2002. 2001, 2002.
 17 Q. Why did you do that?
 18 A. No more pressure on them. It's like a fire
 19 extinguisher. You have a fire extinguisher, you see where
 20 it's safe, all of a sudden it goes down, you replace it.
 21 Q. So there was an indicator somewhere on the tank
 22 that indicated the air pressure?
 23 A. Yes.
 24 Q. And it had gone down to a level that you couldn't
 25 -- they were no longer useful?

63

1 A. Yes.
 2 Q. Okay.
 3 A. We may have changed the heat detectors, too, just
 4 to be on the safe side. I think when I changed a panel, I'd
 5 change the heat detectors, because when you get a surge that
 6 takes out the panel, you don't know what it does to the
 7 equipment, et cetera.
 8 Q. After the change which occurred to the system, any
 9 change, the panel change, the tank change, did the procedure
 10 for checking the system at any time change?
 11 A. My brother was there on a regular basis, and my
 12 brother had started -- my wife asked him to -- we kept a book
 13 of records. State of Pennsylvania got real particular at one
 14 point about cleaning the tap system. So she had a book where
 15 the tap system had to be cleaned by somebody who was licensed
 16 to clean them.
 17 Q. You are referring to the beer tap system?
 18 A. Yes. Once a week. And when she started keeping
 19 these records, she kept records on just about everything at
 20 that point. And when my brother was there, he had a regular
 21 inspection sheet, and he'd put it in the book for her. I
 22 remember seeing them in there.
 23 Q. The original installation of the fire suppression
 24 system in 1989, was your brother paid for his work?
 25 A. Yeah.

62

1 A. It's a helium base, and eventually it just loses
 2 it.
 3 Q. And this occurred sometime in 2001, 2002?
 4 A. Yeah. That was the second time I had to replace
 5 them. They were good for probably four or five years. I
 6 replaced it around '95, '96, too.
 7 Q. Each time you replaced the tanks, were they
 8 replaced with the same kind of Halon tank?
 9 A. Yeah.
 10 Q. Do you have any recollection of where those tanks
 11 would have been purchased?
 12 A. No. They were shipped to me.
 13 Q. So you just would take out the old tank, put in the
 14 new tank, and dispose of the old tank somehow?
 15 A. Yes.
 16 Q. Is that the only kind of update that was ever done?
 17 A. We had to replace the panel several times when we
 18 had lightning strikes.
 19 Q. Those are the only changes which occurred?
 20 A. Yeah.
 21 Q. So the system as it was originally installed in
 22 1989 remained essentially the same until 2003?
 23 A. It was unchanged.
 24 Q. With the exception of a couple of control panels
 25 and a couple of tanks?

64

1 Q. How was he paid?
 2 A. I paid him cash or check. I forgot.
 3 Q. When you say, I, did that -- did those funds come
 4 from your personal funds?
 5 A. Yeah.
 6 Q. So it wasn't the Walter Beck Corporation?
 7 A. I underwrote a lot of that.
 8 Q. So it wasn't the Walter Beck Corporation?
 9 A. No. When we had the fire, the fire was beneficial
 10 only to the previous owners. They were going to be paid out
 11 over a period of 10 years. As soon as we had the fire, they
 12 got paid off immediately. And the majority of the funds went
 13 to the previous owners. So I had to take out a loan to do
 14 the reconstruction and put us back into business.
 15 Q. Okay. What were the months of operation of the
 16 Rainbow Inn?
 17 A. It was a 12 month -- it was a 12 month operation.
 18 We were open 363 -- 362 days a year.
 19 Q. And this was from 1989 all the way to 2003?
 20 A. Yeah. In the business, with her closing the thing
 21 down for three months in 2003, that was just her. She lost
 22 the manager, she didn't want to do it, and I was in Florida
 23 doing the radio show, and she was cranky, and she didn't want
 24 to do this, she didn't want to do that. She wanted to sell
 25 our house. And I just said, do what you want. If you want

<p style="text-align: right;">65</p> <p>1 to sell the house, sell the house. If you're going to close 2 the bar up, you make sure the bar is closed up properly, that 3 everything is secure and operational. And my broker went 4 over there and helped her with that. So that would have been 5 -- and it wasn't in June. It was more like in July or 6 August, because the license was in safekeeping for exactly 89 7 days. I know it because we counted the days, and when we 8 tried to get the license back from the liquor control board, 9 they went ahead and dragged their feet to make it 91 days, 10 and I had to pay \$100 to get it back because it went over 90 11 days.</p> <p>12 Q. During the time in 2003 that the business was 13 closed down, were there any -- was there any maintenance or 14 inspections done on the restaurant?</p> <p>15 A. It was done before she closed and it was done 16 immediately when we reopened.</p> <p>17 Q. But it wasn't done in between?</p> <p>18 A. No. There wasn't anybody in there.</p> <p>19 Q. All right.</p> <p>20 A. I had somebody checking on it on a weekly basis to 21 make sure everything was secure, but that was it.</p> <p>22 Q. A cursory check of the locks and the windows and --</p> <p>23 A. Yeah.</p> <p>24 Q. But nobody was inspecting the fire suppression 25 system or the duct work or cleaning?</p>	<p style="text-align: right;">67</p> <p>1 suppression system?</p> <p>2 A. No.</p> <p>3 Q. Were you personally involved in any way with the 4 purchase of the insurance policy as it existed in 2003 on the 5 Rainbow Inn?</p> <p>6 A. Yeah.</p> <p>7 Q. How were you involved?</p> <p>8 A. I paid it.</p> <p>9 Q. Were you involved in the decision as to what 10 coverages would be in the policy?</p> <p>11 A. Yeah.</p> <p>12 Q. So did you actually meet with the Sundahl Agency 13 personally?</p> <p>14 A. I met with the agent that was -- the agent that 15 initially sold me the policy. I met with him, we discussed 16 the coverages. After that, Sundahl just renewed the policy 17 automatically and never came to see me. I wanted replacement 18 cost coverage, I wanted certain removal coverage in the event 19 of a fire or something like that. But beyond that, we did 20 not meet on an annual basis to update the policy. The policy 21 would come, I'd look it over, it was -- it had what I wanted 22 and we were happy with it.</p> <p>23 Q. When did you first purchase that policy?</p> <p>24 A. I think it was 1995. Because it was when I was 25 elected county commissioner. I was running and a young man</p>
<p style="text-align: right;">66</p> <p>1 A. There was no reason to. It wasn't -- nothing was 2 happening.</p> <p>3 Q. I didn't mean to imply that there was. I just 4 wanted to make sure no one did.</p> <p>5 A. No.</p> <p>6 Q. When your brother did maintenance and inspections 7 of the fire suppression system, was he paid each time?</p> <p>8 A. No.</p> <p>9 Q. Was he ever paid for that work?</p> <p>10 A. Yes.</p> <p>11 Q. How was he paid?</p> <p>12 A. Once a year probably. I think I -- at 13 Christmastime, I'd give him, what do I owe you this year, and 14 he'd say, you owe me 300 bucks.</p> <p>15 Q. That was never drawn up through an invoice? It was 16 just verbally an agreement between the two of you?</p> <p>17 A. I'd slip him the cash, and he'd probably put it in 18 his pocket and probably didn't even tell his wife he got 19 paid.</p> <p>20 Q. Okay. So he would have no records of payments?</p> <p>21 A. I don't know.</p> <p>22 Q. He may have or may not?</p> <p>23 A. Yeah. I don't know.</p> <p>24 Q. Did anyone else besides you or your brother do any 25 kind of maintenance or inspection work on the fire and</p>	<p style="text-align: right;">68</p> <p>1 was working for them as a sales agent and his family was 2 influential so I bought it from him.</p> <p>3 Q. Incidentally, what were your duties as county 4 commissioner? What is basically involved?</p> <p>5 A. What are the duties of the county commissioners in 6 Allegheny County? I did the same thing. I was just like the 7 three chumps you used to have in Allegheny County before you 8 went to the home rule business. I ran the county. We were 9 the legislative and executive branch of the government.</p> <p>10 Q. Okay. Are you aware of any state, county, local 11 regulations regarding fire suppression systems in restaurants 12 in McKean County, Pennsylvania?</p> <p>13 A. I believe there is a requirement in McKean County 14 that all restaurants have fire suppression systems. I 15 believe there is. And I know the health department 16 certainly, when they came through, noted the fire suppression 17 system. In fact, your inspectors, the inspectors for Safeco, 18 noted the fire suppression system.</p> <p>19 Q. We'll get back to that. But what I am asking 20 specifically is, so you are aware of a county regulation?</p> <p>21 A. I believe there is a regulation that requires 22 restaurants to have fire suppression systems.</p> <p>23 Q. And how would that have been noted by the county?</p> <p>24 You said it was noted. How would it have been noted?</p> <p>25 A. It would have been noted by the health department.</p>

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

<p style="text-align: right;">69</p> <p>1 Health department came, inspected everything, looked under 2 the hood to make sure there wasn't grease caked in there. 3 They would have noted it. 4 Q. So do you think they would have records of -- 5 A. They might. They might. 6 Q. Would it be the McKean County health department, or 7 what? 8 A. I don't know what health department it is. I think 9 it's the state health department because we got a state 10 health license. And they used to come by once a year and go 11 through. I know they probably have regional people that 12 check restaurants. But they came through. 13 Q. Do you know if there was a McKean County health 14 department? 15 A. No. We didn't have one, per se. I was the county 16 commissioner. I would have been paying for it. I would have 17 known. 18 Q. That's why I'm asking. You seem to be the man to 19 ask about that. Getting back to the insurance policy, when 20 the insurance policy was written in, you say around '94, '95? 21 A. '94, '95, yeah. 22 Q. Were you provided a copy of the policy? 23 A. Yeah. 24 Q. Did you read the policy? 25 A. Probably not. Probably looked at the dec and</p>	<p style="text-align: right;">71</p> <p>1 A. Yes. 2 Q. What months would you have been in Florida? 3 A. January through November. 4 Q. And you returned in November? 5 A. I was back and forth. I'd get off the radio at 10 6 o'clock in the morning, and I could be at the airport by 7 11:30, and I could be in Buffalo by 4 o'clock. 8 Q. Real quickly, I don't want to get too deep into it 9 because I'm not sure -- I just want to -- I'm just trying to 10 determine times when you were in Florida and when you were 11 here. When did you get the radio job that you had? 12 A. January, 2003. 13 Q. And this was a radio show that you did yourself? 14 A. Yeah. It was called the Bud Beck Show. 15 Q. The Bud Beck Show. And this was only broadcast in 16 Florida? 17 A. Yes. It was in the Tampa Bay area. 18 Q. How did you become involved with that? 19 A. I had written a couple books. A woman I knew had a 20 radio show, told me I would be a natural. She set me up with 21 a station owner. We met each other. He offered me my own 22 time slot if I wanted to do it. I took it and I went to 23 work. 24 Q. So this original meeting occurred in Florida -- 25 A. Yeah.</p>
<p style="text-align: right;">70</p> <p>1 looked at the coverage. I was interested in a couple things. 2 I was interested in replacement cost. I was interested in 3 what my deductible was. I was interested to make sure that I 4 didn't have any necessary exclusions on coverages that I 5 needed. I knew how to look through it pretty quick and 6 identify what was pertinent, what wasn't, and go from there. 7 Q. Do you recall if, when you first looked through the 8 policy, your cursory inspection of the policy, whether a 9 provision existed regarding a fire suppression system? 10 A. I can't say one way or the other. 11 Q. Do you ever recall reading a provision in the 12 policy regarding the fire suppression system? 13 A. After the fire. 14 Q. But prior to that -- 15 A. No. 16 Q. -- you don't recall that being there? 17 A. No. 18 Q. Do you know of any changes that were made to the 19 coverage and/or the exclusions and/or anything regarding the 20 policy from 1994, '95 up to the time of the fire? 21 A. No, I don't. 22 Q. Let's talk a little bit about the fire. Where were 23 you at the time of the fire? 24 A. Home in bed. 25 Q. Had you been in Florida that year, in 2003?</p>	<p style="text-align: right;">72</p> <p>1 Q. -- regarding the radio show? And you had to be in 2 Florida to do the show? 3 A. Yes. Initially, yeah. 4 Q. At that time, how many months out of the year would 5 you spend in Florida originally when you first did the radio 6 show? 7 A. You mean before I did the radio show? 8 Q. No. When you first got the job. 9 A. Well, I was here five days a week. 10 Q. You were in Florida five days a week? 11 A. Yeah. I had to be. I had to be physically in the 12 radio station. 13 Q. Monday through Friday? 14 A. Monday through Friday, three hours a day. 15 Q. This began when? 16 A. January. 17 Q. Were you in Florida for any period of time prior to 18 you getting a radio show? 19 A. Oh, yes. I owned a home here. I bought my home in 20 the Villages in November 2000 as an investment. 21 Q. And how many months out of the year would you spend 22 since November 2000 up until the time you got the radio show? 23 A. It was off and on. When I could get away from what 24 I was doing, I loved being here. I liked it here. My wife 25 liked it in Pennsylvania.</p>

<p style="text-align: right;">73</p> <p>1 Q. So you used it as a vacation home?</p> <p>2 A. Yeah. Actually, I bought it as an investment so my 3 in-laws could live in it in the winter time. They were 4 living in a little trailer over here in Recreation 5 Plantation, and he kept talking about how the Villages was a 6 great place and if he had the money, he would buy it. And I 7 had the money, so I bought a place.</p> <p>8 Q. Did they pay you rent for their use?</p> <p>9 A. More or less. He paid me \$300 a month. It didn't 10 even cover the utilities. And he drank up my whole bar.</p> <p>11 Q. So it was through the time that you had spent down 12 here that you got the contacts to get the radio show?</p> <p>13 A. Yes. Well, the contacts for the radio show came 14 through my writing.</p> <p>15 Q. I see. So when you got the job on the radio, you 16 were spending Monday through Friday here 12 months out of the 17 year?</p> <p>18 A. No. I was in Pennsylvania. I'd go out on the road 19 and do book signings. I've written five books, so --</p> <p>20 Q. I'm just trying to determine the times.</p> <p>21 A. I can't tell you. To tell you the truth, I'm a 22 married man, I have a wife who complains a lot, and she 23 complains when I'm there, she complains when I'm not there. 24 So --</p> <p>25 Q. I'm not trying to get into your marital relations.</p>	<p style="text-align: right;">75</p> <p>1 three weeks in December and three more weeks in January, 2 which meant I would have had to relocate up north. But the 3 station didn't want to lose me. So I purchased my own 4 broadcast equipment that was satellite linked that I could do 5 my show from anywhere in the nation. Anywhere in the world, 6 really. And it would sound like I was right in the studio. 7 So when I made this initial purchase to buy this equipment, 8 that gave me the freedom to go wherever I wanted.</p> <p>9 Q. When was that?</p> <p>10 A. That began the end of October of 2003. And I went 11 back to Pennsylvania and I began doing my show from my home 12 in Pennsylvania, which I loved. It was nice being back home. 13 And I had intended -- I had even said -- at the back of the 14 Rainbow Inn, out the dining room, there were back doors that 15 went onto a little porch, and I always intended to enclose 16 that. I said, I could make that my radio studio right there. 17 And I intended to do that at the Rainbow Inn. And I could do 18 my radio show from there rather than being in Florida. And I 19 had other radio stations that wanted to pickup the show now. 20 We were about to syndicate it. And so I had the freedom to 21 go where I wanted. And it made her happy because I was up 22 north and she could be around the grandkids and the kids and 23 all that. So we did our week in Washington, D.C. And I had 24 been working to get the electric turned back on to do 25 different things. You know, we had -- we had things</p>
<p style="text-align: right;">74</p> <p>1 A. No.</p> <p>2 Q. All I'm trying to do is determine -- you got the 3 job in 2001, 2002, somewhere around there.</p> <p>4 A. 2003 I got the job.</p> <p>5 Q. I'm sorry. I didn't write that down. I'll write 6 that down. What were your requirements in 2003 as far as 7 being in Florida? When did you have to be here to do the 8 radio show?</p> <p>9 A. I had to be here everyday from 7:00 in the morning 10 until 11:00 in the morning to do my radio show.</p> <p>11 Q. Everyday?</p> <p>12 A. Monday through Friday.</p> <p>13 Q. 12 months a year?</p> <p>14 A. It was until further notice. You know, I was --</p> <p>15 Q. When did that change in 2003?</p> <p>16 A. In 2003, I became a very big personality in a very 17 big area. In the Tampa Bay area, three million people. I 18 suddenly had 250,000 listeners a day. And that is a lot of 19 people. Rush Limbaugh only has 50,000 listeners in the Tampa 20 Bay area a day. And I was being -- I was one of a few people 21 being looked at for a national contract with Air America, 22 which is now defunct, I guess. But I became a very big 23 personality in a very short period of time with the 24 democratic party. So I was offered the opportunity to do my 25 radio show from Washington, D.C. for a week in November and</p>	<p style="text-align: right;">76</p> <p>1 operating and we had to -- I had to get -- I was doing 2 different things up there to get ready. And we -- I guess we 3 reopened right after I came back from Washington, D.C.</p> <p>4 Q. When was the last time that the fire suppression 5 system was inspected prior to the 2003 fire?</p> <p>6 A. Thanksgiving.</p> <p>7 Q. Thanksgiving weekend?</p> <p>8 A. Thanksgiving day.</p> <p>9 Q. Thanksgiving day.</p> <p>10 A. My brother has this enormous mini home that he 11 travels in, and he came up and parked it in my driveway, and 12 the family was -- he brought my mother over. It was the last 13 time she left Ohio. He brought her over for Thanksgiving, 14 and she got to see all the grandchildren, saw the whole 15 family, and everybody was -- we had one big Thanksgiving 16 dinner at my house. And first thing we did that morning -- 17 he got there on Wednesday, but first thing we did 18 Thanksgiving morning, he said, come on, let's go over to the 19 bar.</p> <p>20 Q. And the two of you went?</p> <p>21 A. Yeah.</p> <p>22 Q. And you both inspected the fire suppression system?</p> <p>23 A. Yeah. We did the burglar alarm, we did everything. 24 We tested the burglar alarm, all the doors, everything. So 25 the whole place was ship shape at that time.</p>

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

77

79

1 Q. Incidentally, because the bar had been closed for
 2 three months, did you say the electric was turned off?

3 A. Not the complete electric. Okay. I had a power --
 4 I had a cabin out back that I kept electric on, and the power
 5 was supplied to the essential systems through there.

6 Q. Including the fire suppression system?

7 A. Yeah.

8 Q. That's why I was asking.

9 A. Yeah. But I could throw the -- I could throw the
 10 master switch on all the other stuff. So that's what we did.

11 Q. You say you were home in bed the evening of the
 12 fire, correct?

13 A. Yeah.

14 Q. How were you alerted that the fire was occurring?

15 A. I just read it in my statement today. It was 3
 16 o'clock in the morning. A woman -- and I had forgotten this.
 17 She was deaf and dumb, and she was banging on my door at 3
 18 o'clock in the morning. My wife woke me up. She said,
 19 there's somebody banging on our door. And I went there and
 20 she just started motioning. And I could see a red glow in
 21 the sky. And I said -- came back in. I said, there's a fire
 22 someplace, Sharyn. You better call 911 and tell them there's
 23 a fire in Marshburg. And I threw on jeans, boots -- there
 24 was snow on the ground -- and a jacket. And I went out the
 25 back of our house and started towards the bar. You could get

1 A. Yeah, I know. I left, but the bar was engulfed by
 2 that time.

3 Q. And when did you return to the scene after the
 4 fire? When did you first return?

5 A. I came up the hill probably another -- somewhere
 6 around 10:00 or 10:30, somebody brought me up so I could
 7 change clothes, get a shower, get a car. I didn't have any
 8 car down there. I had ridden down in the ambulance. They
 9 had had her stabilized by that time. And then go back down.

10 Q. And at that time did you speak to anyone on scene
 11 about the fire?

12 A. No.

13 Q. When was the first time you spoke to somebody
 14 regarding the fire?

15 A. When I was down there the first time with my wife
 16 in the emergency room, Pennsylvania state trooper walked into
 17 the emergency room while I was out in the hall and started
 18 asking my wife questions. And I walked and got in his face
 19 and threw him the hell out of the room.

20 Q. And did you speak to the officer at that time?

21 A. Yeah.

22 Q. What was the nature --

23 A. I told him to get the hell out.

24 Q. That was the only conversation you had with him?

25 A. Yeah. He said, we need to ask her some questions.

78

80

1 to the bar from our house by going through the woods. I
 2 could see the sky lit up, but the bar looked fine to me from
 3 the west side. I was coming at it from the west side. And
 4 as I got to the front -- as I got to the back of the bar, I
 5 started to see flames, and the north -- southeast corner of
 6 the bar was on fire. The -- under the deck and all that.

7 Q. Do you recall how long it took to put the fire out?

8 A. They didn't put the fire out.

9 Q. They never put it out?

10 A. No. The fire company took 35 minutes for the fire
 11 truck to get there, and then he sat in the truck for another
 12 10 minutes, and then he got out and walked around and looked.
 13 Nobody got any hoses out. Nobody did anything. Nobody even
 14 tried to put the fire out.

15 Q. And you were watching all this occur? You were
 16 present on location?

17 A. Well, I was back and forth to the house. I was
 18 calling 911. And then in the process my wife had a heart
 19 attack and I had to call the EMS. They had to come in an
 20 ambulance and take her to the hospital. So I've got my bar
 21 on fire, my wife is having a heart attack.

22 Q. And you didn't go to the hospital with your wife?

23 A. I went to the hospital with my wife. The hell with
 24 the bar. I went to the hospital.

25 Q. So you left the scene? I'm not implying --

1 I said, she's had a heart attack. Leave her alone.

2 Q. Were there still troopers around when you returned
 3 to the scene of the fire?

4 A. Yeah.

5 Q. Did you speak to them then?

6 A. No.

7 Q. So what was the first contact you had with anybody
 8 who may have been investigating the fire?

9 A. Your man.

10 Q. Who was?

11 A. Paul Smith.

12 Q. That was the first time you spoke to anybody
 13 regarding the fire?

14 A. Yeah.

15 Q. Other than your wife or people involved in the
 16 business?

17 A. Yeah. Nobody -- nobody came to talk to us. Nobody
 18 came to talk to us.

19 Q. Okay. What was your first conversation with Paul
 20 Smith? What did that consist of? Did you call him? Did he
 21 call you?

22 A. No. He came to my front door. I don't remember if
 23 it was that day or the following day, to tell you the truth.

24 I don't know what day it was that he came. She was in the
 25 hospital over the weekend, so it could have been -- the fire

<p style="text-align: right;">81</p> <p>1 was a Friday morning. I had to make arrangements for 2 somebody to do my radio show for me real quick. And it might 3 have been that day, that afternoon. It might have been the 4 next day. I don't know. But he came to me and wanted to 5 talk about the fire. And I said, okay. I'll talk to you. 6 Q. What did that conversation consist of? What did 7 you talk about? 8 A. He told me how much the coverage was. And I was 9 surprised. I didn't know how much the coverage was. He 10 said, do you know how much you're insured for? I said, no. 11 And he threw a number at me. And I said, I'm shocked. 12 Q. Shocked in what way? 13 A. I thought it was a lot of money. 14 Q. You thought it was a lot of coverage? 15 A. Yeah. I didn't know what it was. I didn't know 16 how much I was insured for at that point. 17 Q. That was the entire conversation? You were just 18 talking about coverage? 19 A. Yeah. Well, he didn't talk about coverage. He 20 just told me he -- I don't know if he took a statement from 21 me or not, to tell you the truth. 22 Q. And what was your next step in dealing with the 23 fire after you talked to Mr. Smith? 24 A. State police came and took a statement from me. 25 Q. And after that?</p>	<p style="text-align: right;">83</p> <p>1 there was a torpedo heater, and it stopped working. We used 2 to use it to take the chill off real quick in the mornings. 3 And, I said, it stopped working. That can sat there for a 4 year, period. 5 Q. That was the only contact with them? 6 A. Then they asked me about the expended ammunition 7 they found. My father had died, and he used to reload 38 8 caliber -- he was a policeman -- so he could shoot all the 9 time. So I had his reloading machine and all this empty 10 ammunition and that's what they found. So they had some 11 questions to ask me. But, you know, they were trying to -- 12 trying to be big guys, you know. 13 Q. Did they ever give you any specific reason why you 14 were being investigated? Did they ever tell you what -- 15 A. Because I was the county commissioner. 16 Q. They told you that specifically? 17 A. Well, because I was who I was. I was a very high 18 profile person in McKean County. I still am. 19 Q. But they never gave you any specific reasons why 20 they may have suspected why you set the fire? 21 A. They didn't come out and say that. They never said 22 that, no. 23 Q. Did you have any suspicion as to why they thought 24 that? 25 A. Because if they could pin something on me, they</p>
<p style="text-align: right;">82</p> <p>1 A. Nothing. 2 Q. There was -- you weren't involved in any 3 investigation of the fire? 4 A. Oh, ATF came in, Alcohol, Tobacco and Firearms. 5 Because I was a county commissioner. I was a high profile 6 person. So because I was who I was, the ATF came and did the 7 investigation. And that started all kind of rumors around 8 town that I had started the fire, that, you know, I was going 9 to be arrested. All this because ATF was there. 10 Q. But the results of those investigations didn't -- 11 A. Oh, they came and dragged me out -- they came to 12 get me. One day I was sitting -- Saturday, I had left the 13 hospital, came up the hill. I was sitting in my chair trying 14 to catch -- with a beer just trying to catch my breath, let 15 everything catch up with me, and ATF comes over and says, we 16 need you to come with us now. 17 Q. Did they indicate you were under arrest? 18 A. No. They said, we need you to come with us now. I 19 said, where? Over to the bar. I said, fine. So I got my 20 beer and I went with them. And I walked over to the bar. 21 And they walked me over to a spot on the ground where -- 22 which would have been the basement of the bar -- and said, 23 what was sitting here? And I said, a blue can of kerosene. 24 They had their sniffing dogs there, so they sniffed 25 something. Why did you have kerosene there? I said, over</p>	<p style="text-align: right;">84</p> <p>1 would. 2 Q. I got you. Obviously, the investigation was 3 fruitless. 4 A. Right. 5 Q. You didn't have any -- 6 A. I'm sitting here. 7 Q. What was your next step in dealing with the fire? 8 What did you do? 9 A. Paul Smith must have called and said he needed an 10 inventory. And we put together an inventory that you have 11 there. 12 Q. Right. Those were used as exhibits in your wife's 13 deposition? 14 A. Yes. 15 Q. Okay. 16 A. And he wanted it e-mailed to him. So I e-mailed it 17 to him. And then I asked if he got it, and he said, no. And 18 I e-mailed it to him again. And he still didn't get it. So 19 finally, I sent it to him certified mail and somebody signed 20 for it. Then he got it. 21 Q. How did you obtain Mr. Smith's e-mail address? 22 A. He gave it to me. 23 Q. Personally when he was on site? 24 A. Yeah. 25 Q. After he said he got the inventory, what happened</p>

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

<p style="text-align: right;">85</p> <p>1 next?</p> <p>2 A. He paid the -- we got a letter denying the claim.</p> <p>3 Q. And what was your reaction to that?</p> <p>4 A. I tried to get in touch with him. He wouldn't</p> <p>5 respond.</p> <p>6 Q. Okay. Did you ever get in touch with him after</p> <p>7 that?</p> <p>8 A. Finally. When I went to Sundahl in June and told</p> <p>9 them I was going to sue them.</p> <p>10 Q. Sue Sundahl?</p> <p>11 A. Yeah. Sue Sundahl. And I'm going to ruin you so</p> <p>12 nobody will ever buy any policy from you here.</p> <p>13 Q. So Sundahl put you back in touch with Smith?</p> <p>14 A. Sundahl got Smith in touch with me.</p> <p>15 Q. What happened next?</p> <p>16 A. Smith wanted me to give him records of inspections</p> <p>17 and all that. But he hadn't been dealing in good faith with</p> <p>18 me by that time and I could just see him just dragging his</p> <p>19 feet. He was giving me the run around. And that's when I</p> <p>20 started looking for an attorney.</p> <p>21 Q. So when was the first time Mr. Smith asked you for</p> <p>22 records of maintenance of the fire suppression system?</p> <p>23 A. June.</p> <p>24 Q. And --</p> <p>25 A. July actually. I think it was July. It wasn't</p>	<p style="text-align: right;">87</p> <p>1 that information?</p> <p>2 A. That's right.</p> <p>3 Q. And you made the decision not to provide him that</p> <p>4 information because you were looking for counsel to file a</p> <p>5 lawsuit?</p> <p>6 MR. LANE: Objection. What information are you</p> <p>7 talking about, because I believe actually if you look in</p> <p>8 the letter it asks for the records which Mr. Beck has</p> <p>9 already testified were burned in the fire to the extent</p> <p>10 they existed.</p> <p>11 Q. Did Mr. Smith ever ask you to simply provide him</p> <p>12 the name of the people who did the maintenance? Do you</p> <p>13 recall that?</p> <p>14 A. No. No.</p> <p>15 Q. So there was never any request from Mr. Smith or</p> <p>16 from the insurance company?</p> <p>17 A. Not that I recall.</p> <p>18 Q. If they had asked you for that information, would</p> <p>19 you have provided it at that time?</p> <p>20 A. If they had asked me for the information in January</p> <p>21 or February or March or April, I would have cooperated. You</p> <p>22 know, if he would have said, hey, it appears there's a</p> <p>23 misunderstanding here. I'm talking about an Ancil system,</p> <p>24 you're talking about a Halon system. I think we're both</p> <p>25 talking about a fire suppression system. I'm sorry that I</p>
<p style="text-align: right;">86</p> <p>1 June.</p> <p>2 Q. Of 2004?</p> <p>3 A. Yeah.</p> <p>4 Q. And did you ever provide any information to Mr.</p> <p>5 Smith in response to that request?</p> <p>6 A. No.</p> <p>7 Q. And your reason for that was?</p> <p>8 A. Any records I had were burned up in the fire to</p> <p>9 begin with and I wasn't about to go reconstructing something</p> <p>10 for him when he wasn't dealing in good faith with me. He was</p> <p>11 ignoring -- I sent him probably four or five different</p> <p>12 letters. I attempted to call him probably 40 or 50 times and</p> <p>13 he wouldn't respond to me at all. So at that point I had had</p> <p>14 enough.</p> <p>15 Q. Understood. Did Mr. Smith ever ask you to simply</p> <p>16 give him the name of the people who maintained your fire</p> <p>17 suppression system?</p> <p>18 A. Never.</p> <p>19 Q. Do you recall any letters that he may have sent</p> <p>20 that asked you to give him the name?</p> <p>21 A. In July, June or July, he sent me a registered</p> <p>22 letter asking me for this stuff, but by that time I was</p> <p>23 looking for a lawyer.</p> <p>24 Q. Okay. So you were in no way interested in dealing</p> <p>25 with Mr. Smith anymore by June or July when he was requesting</p>	<p style="text-align: right;">88</p> <p>1 misunderstood you. Had he said that, I would have been right</p> <p>2 back on board with him and given him -- done whatever I</p> <p>3 needed to do to prove to him what he needed.</p> <p>4 Q. But he hadn't done that?</p> <p>5 A. No.</p> <p>6 Q. Up until June?</p> <p>7 A. He had ignored me.</p> <p>8 Q. And he had ignored your requests for him to give</p> <p>9 you information as to what was going on with the policy. Is</p> <p>10 that your position?</p> <p>11 A. Yeah. Well, let me point something out to you.</p> <p>12 Q. Absolutely.</p> <p>13 A. I'm not a principal in this case. I'm the property</p> <p>14 owner. My wife is the one. The policy is in the name of the</p> <p>15 corporation. Him talking to me, he might as well have been</p> <p>16 talking to that man sitting over there at the pool. He never</p> <p>17 once attempted to talk to my wife.</p> <p>18 Q. He never requested to speak with her?</p> <p>19 A. No. No. He never once -- everything was between</p> <p>20 him and me. And she was kind of ticked off. She tried to</p> <p>21 call him and he wouldn't return her calls.</p> <p>22 Q. At the time that you were contacted by Mr. Smith</p> <p>23 personally that he talked to you personally about the fire,</p> <p>24 did you ever make the suggestion that he might want to talk</p> <p>25 to your wife because she was the president of the</p>

<p style="text-align: right;">89</p> <p>1 corporation? 2 A. Yeah. 3 Q. How did you tell him that? 4 A. I said, I think you need to be talking to my wife. 5 She's upset because you haven't acknowledged what she's 6 sending you. 7 Q. You told him that verbally? 8 A. Yeah. 9 Q. Over the phone or in person? 10 A. Yeah. Over the phone. I only saw him once in 11 person. He never came back. 12 Q. And after you told him that he should be dealing 13 with your wife, he still -- 14 A. He still kept calling me. I was on the radio in 15 Florida and he'd call me on my cell phone. 16 Q. I see. 17 A. In fact, that's how I got the news that we were -- 18 that the coverage was being denied. He called me on my cell 19 phone in the middle of my radio show telling me he was going 20 to deny the coverage based on the fact I didn't have an Ancil 21 system. 22 Q. Let's talk about that a little bit. When did he 23 first state anything was a problem with your fire suppression 24 system? When do you recall that? 25 A. The day he picked up the phone and told me he</p>	<p style="text-align: right;">91</p> <p>1 saying, this is -- this is a mistake. It calls for a fire 2 suppression system. A Halon system is a fire suppression 3 system. I've lived up to the letter of the policy. 4 Q. When you sent that letter, did you attempt to 5 provide any other information other than your word that there 6 was a fire suppression system in there? 7 A. No. I didn't think I needed to because the company 8 had inspected this system no fewer than four times. The 9 insurance company has come out physically, stood on the 10 premises, looked at the fire suppression system, said, okay, 11 went down, looked at the tanks, looked at the pressure. You 12 know what they told me? They had three things for me. We 13 want you to paint this outside wall the wind and the snow had 14 been beating it, we want you to cover up this dumpster where 15 the bears go in and tear it apart, and what type of surface 16 is your roof made out of? Those are the three things they've 17 asked me in four inspections. They never once questioned the 18 fire suppression system. And the company has been on the 19 premises installing it. All of a sudden, the company is 20 saying I don't have one after they saw it themselves. 21 Q. Okay. Let's talk a little bit then about these 22 inspections that occurred. When was the first time you 23 remember the insurance company inspecting the property? 24 A. I can't give you an exact date. 25 Q. Was it --</p>
<p style="text-align: right;">90</p> <p>1 wasn't going to pay the claim. 2 Q. That was in June or July? 3 A. No. It was in February. 4 Q. In February of 2004? 5 A. Yeah. 6 Q. And what was your reaction to that? What did he 7 specifically say was the problem? 8 A. He said, I'm not going to pay. We're not going to 9 pay. We're denying coverage because you did not have an 10 operating Ancil system. 11 Q. And he specifically said Ancil was the problem? 12 A. Yes, he did. 13 Q. And your reaction to that was what? 14 A. I said, the policy doesn't say I need to have an 15 Ancil system. It says I have to have a fire suppression 16 system. And I had that. 17 Q. How did he respond to that? 18 A. He said, we don't believe that. 19 Q. Did you ever at that time in February of 2004 try 20 to prove to Mr. Smith that you had -- 21 A. I wrote him a letter. I wrote him a letter 22 immediately. And I told him that I received his letter of 23 denial. He sent it to -- he sent it off to me. I guess I 24 was in Florida. I mean, he totally ignored my wife. He sent 25 it to me and denied the coverage, and then I responded</p>	<p style="text-align: right;">92</p> <p>1 A. It would have been shortly after the policy was 2 written. Probably in '94 or '95. 3 Q. '94 or '95. And this was a representative of 4 American Economy Insurance? 5 A. Safeco, whoever. I don't know. 6 Q. How did they approach you to do the inspection? 7 A. They'd just show up at the bar one day, and the 8 bartender would be there. And I'd be over at the house doing 9 whatever I was doing. I'd get a phone call, there's somebody 10 from the insurance company here. And I would go over. 11 Q. Now, when they said, there's somebody from the 12 insurance company, did they specifically say which insurance 13 company? 14 A. They would give me a card. It was the people that 15 were doing the property insurance. And they'd say they were 16 from the loss prevention department and that they were here 17 to do an inspection. Sure. I'll go with you. I'll show you 18 whatever you want to see. 19 Q. At the time of that first inspection that you 20 recall, do you recall where they said they came from? 21 A. No. 22 Q. Do you recall a name of the person? 23 A. No. 24 Q. The only thing that you obtained from them was a 25 business card?</p>

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

<p style="text-align: right;">93</p> <p>1 A. Uh-huh. 2 Q. That's how they identified themselves as an 3 investigator or an inspector? 4 A. Uh-huh. Loss prevention specialist. I worked for 5 an insurance company. We used to do loss prevention 6 inspections all the time. 7 Q. Okay. Was there any indication from this person as 8 to what exactly they wanted to inspect? 9 A. They were inspecting the entire premises. Because 10 they were carrying the fire insurance and the liability 11 insurance, and they wanted to see what their risk was. 12 Q. And you took them through the property personally? 13 A. Yes. 14 Q. So they didn't ask for any other person but 15 yourself? You were the person to take through the property? 16 A. Well, they wouldn't -- they didn't care who took 17 them through. They wanted permission to do it. And the 18 bartenders would generally call one of us, Sharyn or myself, 19 and say, we've got somebody here. Now, we would always go if 20 we were available, check the person out, see who they were, 21 because you don't know who's checking you out. 22 Q. But the initial inspection that you recall, it was 23 you who took them through the property? 24 A. Yeah. Very first one. 25 Q. Did they ask you any specific questions regarding</p>	<p style="text-align: right;">95</p> <p>1 inspector came out? 2 A. I can -- I think -- you know, we've talked about, I 3 think, the total of about three or four. I think four 4 inspections. But the very last one was somewhere around 5 2002. And I was back from a book trip, and I remember being 6 irritated that I had to get -- I was working on a new book, 7 and I was irritated that I had to break off doing what I was 8 doing and go over to the bar and meet with somebody. 9 Bartender didn't know and called me. And that was when he 10 said to me that -- I forgot the person, but he said -- he 11 started the business about the dumpster. And that was very 12 irritating because a black bear, I don't care what you do. 13 If a black bear wants in your dumpster, he's getting in. If 14 he wants to rip the wall off, he'd take the wall off. And I 15 said, I'll do the best I can with that. And he said, well, 16 you have to paint this wall, and he said, I'd like a sample 17 of what the roof is made of. Fortunately, I had one of those 18 sheets and I cut a piece off and gave it to him. And that 19 was the only thing he needed. I mean, we walked through the 20 whole place. He looked at the tanks, noted the pressure on 21 the tanks, looked under -- 22 Q. When you say, noted it, he wrote down something? 23 A. He -- well, he looked at it, and, you know, he was 24 right there looking at it. He had his form and he basically 25 said -- you know, looking around, saying, okay. Never said a</p>
<p style="text-align: right;">94</p> <p>1 the systems that you had in place on the property? 2 A. Just looked at them. You know, they noted that I 3 had a burglar alarm system. That's a plus. Looked under the 4 hood. I think he even twisted the nozzle, make sure it spun. 5 Looked at the fire detectors, you know, heat detectors. 6 Q. How long of an inspection was it? How long did it 7 take? 8 A. He stayed maybe a half hour, 45 minutes. 9 Q. And he was writing something down as he was there? 10 A. Yeah. 11 Q. Did it look like a form or did it look like just 12 notes on it? 13 A. No. He was operating on some kind of a form. It 14 was an official inspection. I could see that. 15 Q. From that first inspection, did you receive any 16 notifications from the insurance company regarding it? 17 A. No. 18 Q. So there wasn't anything you needed to do after 19 that inspection? 20 A. No. 21 Q. This would have been around the time that the 22 policy was first written, you say? 23 A. Yeah. Within the first six months of the policy 24 probably. 25 Q. Do you recall how long it was before another</p>	<p style="text-align: right;">96</p> <p>1 word about anything. Again, I showed him. He said -- one 2 panel was there right in the middle of the kitchen. I had 3 put in a new burglar alarm system. And he said, what's that? 4 I said, that's our burglar alarm system. That was an 5 improvement. That was a UL wireless alarm system. 6 Q. Okay. When was the last time you remember an 7 inspector coming from the insurance? 8 A. That was the one. 9 Q. That was what year? 10 A. It would have been about 2002. 11 Q. Okay. 12 A. It was before I was on the radio. 13 Q. I want to go back to something because you just 14 reminded me of it. Your wife had mentioned briefly -- and 15 she certainly was not sure of this -- but that there was some 16 kind of indication on one or several of the components of the 17 fire suppression system that it was UL listed. 18 A. Yeah. 19 Q. Do you recall anything -- 20 A. Any panel that you buy, control panel that's UL 21 listed, has a UL tag on the lower right-hand corner. All the 22 tanks had UL tags on them. Any fire, any smoke alarm, will 23 have a UL tag on it. Everything, every component that is 24 sold that's manufactured for sale within the United States 25 for a fire system has to be UL listed. Otherwise, it's not</p>

<p style="text-align: right;">97</p> <p>1 allowed to be sold. 2 Q. Let me ask you this, because I am completely 3 unfamiliar with UL, and I know that you were formerly 4 certified with UL. When UL certifies a fire suppression 5 system, do they do it by certifying the individual 6 components, or -- 7 A. Yes. 8 Q. -- or do they do it as a whole? 9 A. They do it by the individual components. 10 Q. Now, is there any listing through UL for the 11 components as they are placed together, meaning once you have 12 the components built into a fire suppression system, does UL 13 have any listings or requirements regarding the system as a 14 whole? 15 A. Yes. It's the way the system is wired, the way the 16 system is configured. It has to be configured a certain way. 17 It has to be wired within conduit or have the teflon coated 18 wiring, whatever. So any single -- the smallest part that is 19 not UL listed wipes out the entire listing. So you do not 20 ever purchase anything that is not UL listed. 21 Q. Got you. Does UL have any indications, 22 requirements, listings for specifically fire suppression 23 systems used in kitchens of restaurants? 24 A. I have no idea. 25 Q. So it's not something you would have come across in</p>	<p style="text-align: right;">99</p> <p>1 A. That's when he started telling me, well, send me 2 the records and we'll reconsider it. It didn't sound very 3 encouraging. 4 Q. And you decided that that was the last contact you 5 were going to have with Mr. Smith? 6 A. That's right. 7 Q. Did Mr. Smith ever attempt to contact you after 8 that? 9 A. No. 10 Q. And then the lawsuit was filed shortly after that? 11 A. Yes. 12 Q. I think -- let me just really quickly go through 13 this. I think that may be all I have, but let me just be 14 sure I'm not missing anything. 15 A. Sure. 16 Q. In your viewpoint, when did American Economy 17 Insurance breach the Walter Beck Corporation policy? 18 MR. LORENZ: I'm going to object. It calls for a 19 legal conclusion. 20 MR. MAYER: Is he allowed to answer? 21 MR. LORENZ: Well, he's not a -- he's not the 22 corporate representative. 23 MR. MAYER: I understand that, but he's filed a 24 lawsuit alleging -- 25 THE WITNESS: I haven't filed any lawsuit. Walter</p>
<p style="text-align: right;">98</p> <p>1 your certification process, or -- 2 A. No. If they do, I don't know. I mean, it's been a 3 long time. 4 Q. I don't know either. That's why I'm asking. 5 A. I'm just simply saying that the requirement of the 6 policy was a UL listed fire suppression system. We did that. 7 Q. Okay. Now, when was your last contact with Mr. 8 Smith? 9 A. February, 2003, when he told me he was denying the 10 coverage. He called me. 11 Q. Okay. That was a telephone call. And you also got 12 a letter, I assume. 13 A. Yeah. I got a letter the next day. 14 Q. You never attempted to contact Mr. Smith via 15 telephone or letter after February, 2003? 16 A. That's not true. I said -- 17 Q. I'm asking. 18 A. I said I called him probably 30 or 40 times and he 19 wouldn't return my call, and I sent him probably five or six 20 letters. I mean, I sent him a letter I think every 30 days. 21 Q. That's why I'm asking you when was your last 22 contact. By, contact, I mean either letter or -- 23 A. Then I talked to him in the July time that -- at 24 the very end. 25 Q. What was that conversation?</p>	<p style="text-align: right;">100</p> <p>1 Beck Corporation did. 2 Q. Are you familiar with the lawsuit the Walter Beck 3 Corporation filed? 4 A. Yes. 5 Q. Are you familiar with the counts of that lawsuit? 6 A. Yes. 7 Q. Were you involved in the formulation of that 8 complaint against American Economy Insurance Company? 9 A. Yes. 10 Q. So you helped to formulate that complaint -- 11 A. Yes. 12 Q. -- in some way? 13 A. Sure. 14 Q. Are you familiar with the count against American 15 Economy Insurance that states that they breached the 16 insurance policy that Walter Beck Corporation had with them? 17 A. Yes. 18 Q. Is it your opinion that that contract was breached? 19 A. Yes. 20 Q. Why is that? When did that occur? 21 MR. LORENZ: Continuing objection. It's calling 22 for a legal conclusion. 23 MR. MAYER: Understood. But is he allowed to 24 answer in that capacity? 25 MR. LORENZ: In what capacity?</p>

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

<p style="text-align: right;">101</p> <p>1 MR. MAYER: In the capacity that I just asked him. 2 MR. LORENZ: Yeah. You can answer the question. 3 A. Okay. I don't think Paul Smith ever intended to 4 pay the claim. I think Paul Smith came in with the intention 5 of finding a way to deny the claim and hoping that he would 6 do enough damage to me that I couldn't afford to proceed the 7 way I am. 8 Q. Okay. The question that I asked you specifically, 9 though, is when was the contract breached? 10 A. When he denied the claim. 11 Q. So that would have been February of 2003, if that's 12 when you first heard of the denial, or 2004, excuse me, 13 February 2004? 14 A. Yeah. 15 Q. Okay. I had some questions that my co-counsel had 16 written down. They may jump around a little bit -- 17 A. Go ahead. 18 Q. -- in order of time, but I'm going to ask a couple 19 questions about Halon. Okay? What pressure should a Halon 20 tank have in order to be used in a fire suppression system? 21 A. I have no idea. 22 Q. You have no idea? 23 A. Not at this point. I've probably forgotten it. 24 Q. Do you recall the indicators that were on the 25 tanks?</p>	<p style="text-align: right;">103</p> <p>1 we had upgraded with the exchange. 2 Q. Okay. As far as you knew, you were purchasing the 3 most up to date Halon at any time you purchased a tank? 4 A. Sure. Yeah. 5 Q. What size pipe is installed with the Halon system? 6 A. I think it's three-quarter inch copper pipe. 7 Q. And that's standard for any fire suppression system 8 using Halon? 9 A. Now, I'm talking -- I haven't been in the industry 10 for a long time. 11 Q. Absolutely. But at the time that you installed 12 this -- 13 A. You know, we installed it in 1989. If my memory 14 serves me properly, we were using three-inch copper tubing 15 for the plumbing. 16 Q. Okay. Let me ask a couple questions about your 17 brother and his business. 18 A. Sure. 19 Q. Does your brother sell or install fire suppression 20 systems for any specific manufacturer? 21 A. No. Not for any specific manufacturer. 22 Q. Does he then design the systems himself with -- 23 through component work, or -- 24 A. I always designed it myself. I would suppose he 25 did, too. Again, it's not rocket science. It's -- you've</p>
<p style="text-align: right;">102</p> <p>1 A. Uh-huh. 2 Q. Do you recall, was it pounds per square inch? 3 A. I think so. 4 Q. Do you recall what the range was? 5 A. No. 6 Q. Was there some kind of line on the indicator that 7 would indicate when the pressure was too low? 8 A. Yes. It was a needle. 9 Q. So if it dipped below a certain point -- 10 A. Uh-huh. 11 Q. -- that's when you knew the tank had to be 12 replaced? 13 A. Sure. 14 Q. What type of Halon was in the tank? I know 15 there's -- 16 A. Boy, I know there's a bunch that they -- we went 17 through a period of time there when the EPA was going to 18 outlaw Halon and then they came out with a different version 19 that didn't kill the ozone layer. So right in the '90s, 20 about '93, '94, they switched Halons. It was like Halon 1101 21 and then they went to Halon something or other and something 22 other other, and I didn't keep up with the numbers, but I 23 knew that in the '90s, there was a conscious switch there. 24 That's when they stopped using freon in air conditioning 25 systems and all that. So they had changed Halon gases. And</p>	<p style="text-align: right;">104</p> <p>1 got -- you're going to locate them someplace. You've got 2 nozzles, you got to get the pipe to the nozzles, you are 3 going to hang a panel in the wall. 4 Q. Do you know if there's any manufacturers of fire 5 suppression systems that sell the systems as a whole rather 6 than -- 7 A. I believe Ancil does. That's why Ancil has become 8 like a Kleenex. Where is your Ancil system? 9 Q. Because it's so pervasive in the industry? 10 A. Ancil will sell you the hood, the whole works, 11 everything. 12 Q. But none of the components that you ever installed 13 personally were -- I mean, actually you did install Ancil 14 systems. 15 A. Yeah, we put in Ancil systems. 16 Q. I'm sorry. You did mention that. Do you know if 17 your brother installs Ancil systems? 18 A. I don't know. 19 Q. Do you happen to know if your brother is certified, 20 a certified installer for any specific manufacturer of fire 21 suppression systems? 22 A. I couldn't tell you. 23 Q. Were you ever a certified installer for any 24 specific manufacturer? 25 A. Not for any specific manufacturer. I was certified</p>

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

<p style="text-align: right;">105</p> <p>1 by the State of Texas generally, the way you become certified 2 by the state or the entity where you are working. 3 Q. And your brother is certified in Ohio, is that -- 4 A. He holds a license in Ohio, yeah. And I guess he 5 holds licenses in other states, too. He has to. He does 6 work for the federal government so he goes different places 7 on government installations doing work for them. 8 Q. Do you have any knowledge as to your brother's 9 education or certification process to get licensed in Ohio or 10 other states? 11 A. No. 12 Q. Do you have any personal knowledge of what he had 13 to do? 14 A. I can't speak directly to that. 15 Q. Did you ever observe your brother replace any part 16 of the Halon system at your particular establishment? 17 A. Sure. We've replaced panels. And, like I said, we 18 -- we've replaced the heat detectors. 19 Q. That's the only thing you ever observed? 20 A. Yeah. 21 Q. You don't know whether he may have done something 22 when you weren't there to replace -- 23 A. I'm sure he might have done something when I wasn't 24 there. If he ever imagined something needed to be fixed, he 25 fixed it.</p>	<p style="text-align: right;">107</p> <p>1 the duct work? 2 A. Katy, she was a professional cleaner. She worked 3 for the -- she worked for the Allegheny National Forest. She 4 worked for the U.S. Government Department of Agriculture. 5 They run the Allegheny National Forest. And she would do 6 professional cleaning for them down at the Kinzua Dam. She 7 cleaned all that stuff down there at the Kinzua Dam. So by 8 hiring Katy, my wife would have Katy in there on a regular 9 basis, and Katy would do -- would be up on top of the stove 10 inside cleaning all the grease out. 11 Q. How did you become involved with Katy? I mean, how 12 did -- 13 A. She was a customer. 14 Q. And she had mentioned -- 15 A. After she'd get through working down at the dam, we 16 were a stop on the way home. And she hit my wife up for some 17 work. I can do work for you. 18 Q. She mentioned that she could do that kind of 19 cleaning work? 20 A. Yeah. She said, I'll do any type of cleaning you 21 want. And Sharyn paid her by the hour and she was happy. 22 Q. She wasn't an employee of the Walter Beck 23 Corporation? 24 A. No, no. 25 Q. Did she have any kind of formal business in doing</p>
<p style="text-align: right;">106</p> <p>1 Q. And he'd have the parts with him already? 2 A. Oh, yeah. He's a traveling suitcase. 3 Q. Do you have any reason to believe -- and I'm not 4 suggesting that you were in any way involved, but do you have 5 any reason to believe that the fire at your bar was an arson? 6 A. I told the state police as much. 7 Q. Why do you suspect that? 8 A. We had all the business. When we reopened the bar, 9 we had all the business in the area, and all of a sudden the 10 people that had the business had lost it. I brought in a 11 pile of young girls that were real pretty, and the hunters 12 were coming up from Pittsburgh and down from Buffalo and over 13 from Cleveland, and they're going to go where the pretty 14 girls are, and I had the pretty girls and the coldest beer, 15 and I had the Pittsburgh Steelers on on Sunday. 16 Q. So it's your belief that there may have been some 17 kind of plot or conspiracy from other bars in the area that 18 wanted to get your business? 19 A. Probably. One person probably. 20 Q. Okay. 21 A. I mean, you've got my statement to the state 22 police. 23 Q. Absolutely. I'm just wondering what prompted your 24 belief that it may have been an arson. Can you talk a little 25 bit about the people that were hired to do the degreasing of</p>	<p style="text-align: right;">108</p> <p>1 this kind of work on the side? Did she have a name for her 2 business or a phone number? 3 A. I have no idea. 4 Q. An office? 5 A. No. She did cleaning for the forest service on a 6 contract basis. She did cleaning for a bunch of people on a 7 contract basis. 8 Q. Her work for the Walter Beck Corporation wasn't 9 memorialized in a contract in any way, though? 10 A. No. 11 Q. Or was it? 12 A. Probably not. 13 MR. LORENZ: I'm going to object. I think he's 14 testified as to what the terms of the contract were, 15 that it was an hourly basis. Are you asking him was 16 there a written contract? 17 MR. MAYER: Yeah. That's what I meant. 18 A. I couldn't tell you. I don't know. 19 Q. You don't know? 20 A. No. 21 Q. Do you know what she was paid for her work? 22 A. I don't know. 23 Q. Do you know how she was paid for her work? 24 A. Probably cash. 25 Q. Do you know how often Katy would clean the hood or</p>

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

<p style="text-align: right;">109</p> <p>1 the duct work?</p> <p>2 A. At least once a month.</p> <p>3 Q. If not more often?</p> <p>4 A. At least once a month, I would guess. Probably it 5 was once a month. Sharyn was always very particular about 6 keeping the -- we had a -- we were not a dirty woods bar. It 7 was a -- we were in the woods, but we were pretty clean. We 8 were very clean.</p> <p>9 Q. The people from the insurance company that came out 10 to do the inspections, were they different people, or was it 11 always the same person?</p> <p>12 A. I never saw the same person twice.</p> <p>13 Q. So it was always a different person?</p> <p>14 A. Yeah.</p> <p>15 Q. Can you describe any of them, their appearance?</p> <p>16 A. No.</p> <p>17 Q. Man? Woman?</p> <p>18 A. Just guys.</p> <p>19 Q. Always a man?</p> <p>20 A. I remember men. You got to remember, whenever 21 anybody came, if I was available, I went over and met with 22 them. I would meet with the liquor control board. I would 23 meet with the health department. I met with your loss 24 prevention people, you know, so --</p> <p>25 Q. Did the loss prevention people who came, the people</p>	<p style="text-align: right;">111</p> <p>1 placement. How high you place a pull station on the wall, 2 where you can locate a smoke detector, how -- the difference 3 between a wet system and a dry system in a sprinkler system. 4 Those types of things. Keep in mind, the Halon system is a 5 dry system. It's only activated once one of the things go 6 off.</p> <p>7 Q. You said there was a physical component to the test 8 where you actually had to install something?</p> <p>9 A. Yes. Well, they would take you in a fire 10 marshall's office and they'd go ahead and you would walk in 11 and you would have to wire something for them.</p> <p>12 Q. Do you know what you were asked to wire?</p> <p>13 A. I was wiring a panel, a fire alarm panel.</p> <p>14 Q. Was it a test of your electric skills? Is that 15 what -- that was the purpose?</p> <p>16 A. Yeah. To show that I knew what I was doing, not 17 that I -- that I not only had the book knowledge, I had the 18 actual practical knowledge to do it for them.</p> <p>19 Q. The written part of the test, how long did you have 20 to take it? How long of a test was it?</p> <p>21 A. I have no idea.</p> <p>22 Q. Was it a day? Was it a couple hours?</p> <p>23 A. I think I took it one morning.</p> <p>24 Q. We forgot to ask your wife her birth date. Maybe 25 it was gentlemanly courtesy.</p>
<p style="text-align: right;">110</p> <p>1 that you recall as loss prevention people, did they wear 2 anything that indicated their position?</p> <p>3 A. I don't remember anything like that. I don't 4 remember whether they had a badge or whatever. I don't know.</p> <p>5 Q. The only thing that you recall as a form of 6 identification was a business card?</p> <p>7 A. Sure.</p> <p>8 Q. Do you have any idea where those business cards 9 are?</p> <p>10 A. Who knows.</p> <p>11 Q. Just I have to ask.</p> <p>12 A. I have no idea.</p> <p>13 Q. Did you keep them?</p> <p>14 A. No.</p> <p>15 Q. Okay.</p> <p>16 A. Probably threw them in the garbage.</p> <p>17 Q. I'm going to ask you a little bit more about your 18 Texas licensure. The fire marshall's test specifically that 19 you took, what topics were on the written test, if you recall 20 any of them?</p> <p>21 A. Generally how to wire, wiring things, questions 22 about how to wire a UL system, what temperature a heat 23 detector activates at, how a photoelectric smoke detector 24 works, how an ionization smoke detector works. General 25 knowledge of the products themselves. Knowledge of</p>	<p style="text-align: right;">112</p> <p>1 A. February 11, 1947.</p> <p>2 Q. You mentioned that you wrote some books.</p> <p>3 A. Uh-huh.</p> <p>4 Q. What were the subjects of them? What were they 5 generally about?</p> <p>6 A. First book I wrote was called Ripe for the Picking, 7 the Story of the Kathy Wilson Murder Case. It's nonfiction. 8 It's a story about a woman in Jamestown, New York who 9 disappeared and how the district attorney in Warren County 10 and the Pennsylvania state police framed an innocent man for 11 her murder. That's why they wanted to pin something on me. 12 The next one was about the Indian Chief Corn Planter, called, 13 Corn Planter Chronicles. It was the book of the year for the 14 New York Library Association in 2002. The third book was 15 called the First Terrorist Act. It's a story about -- it's a 16 Vietnam War story set between September 11 and December 7, 17 2001. Fourth book is a piece I'm very proud of. It's a -- 18 it's called Tyrannist Bush. And I've got a book with an 19 agent right now called, The Wrong Arm of the Law. And I've 20 just completed another book called, Rockford House. And I'm 21 about to write another book called, DSC.</p> <p>22 MR. MAYER: Do you have anything else, Dan? I'm 23 done, so --</p> <p>24 (Discussion off the record.)</p> <p>25 Q. What are you doing right now for income?</p>

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

<p style="text-align: center;">113</p> <p>1 A. I am a English professor at Webster College, and 2 I'm also the managing editor of Ocala Magazine. I have to 3 work two jobs because of your client. 4 MR. MAYER: I'm done. 5 MR. LORENZ: We'll read. 6 (Deposition concluded at 1:21 p.m.) 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>	<p style="text-align: center;">115</p> <p>1 CERTIFICATE OF REPORTER 2 STATE OF FLORIDA 3 COUNTY OF ORANGE 4 I, Leslie Richmond, Registered Professional Reporter, 5 certify that I was authorized to and did stenographically 6 report the deposition of Harold Beck; that a review of the transcript was requested; and that the foregoing transcript, including 113 pages, is a true and complete record of my stenographic notes. 7 8 Dated this 20th day of November, 2006. 9 10 11 Leslie Richmond, RPR and Notary Public (This signature is valid only if signed in blue ink.) 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>
<p style="text-align: center;">114</p> <p>1 CERTIFICATE OF OATH 2 STATE OF FLORIDA 3 COUNTY OF ORANGE 4 I, the undersigned authority, certify that Harold Beck 5 personally appeared before me and was duly sworn on the 11th day of November, 2006. 6 WITNESS my hand and official seal this 20th day of November, 2006. 7 8 Leslie Richmond, RPR and Notary Public 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>	<p style="text-align: center;">116</p> <p>1 IN RE: WALTER BECK CORPORATION V. SAFECO CORPORATION, et al. 2 CASE NO: 04-348-Erie 3 DEPOSITION OF: HAROLD BECK 4 TAKEN ON: NOVEMBER 11, 2006 5 6 November 21, 2006 7 8 Joshua R. Lorenz, Esquire 9 Meyer, Unkovic & Scott, LLP 1300 Oliver Building 10 Pittsburgh, Pennsylvania 15223 11 12 The above referenced transcript has been completed and awaits reading and signing. 13 14 Please notify the deponent to contact your office to make arrangements to read your copy of the transcript. Please complete by 30 days from the date of this letter. 15 16 The original of this deposition has been forwarded to the ordering party and the errata, once received, will be forwarded to all ordering parties as listed below. 17 18 Thank you, Leslie Richmond 19 20 21 22 cc: Daniel P. McDyer, Esquire, and Benjamin M. Mayer, Esquire, 1300 Gulf Tower, 707 Grant Street, Pittsburgh, Pennsylvania 15219 23 24 25</p>

Walter Beck Corp. vs. Safeco Corp.

DO NOT COPY

Harold Beck 11/11/2006

<p style="text-align: center;">117</p> <p>1 ERRATA SHEET 2 Do not write on transcript - enter changes on this sheet. 3 IN RE: WALTER BECK CORPORATION V. SAFECO CORPORATION, ET AL. DEPO OF: HAROLD BECK 4 TAKEN ON: NOVEMBER 11, 2006 5 Page # Line # Change/Correction Reason 6 _____ 7 _____ 8 _____ 9 _____ 10 _____ 11 _____ 12 _____ 13 _____ 14 _____ 15 _____ 16 _____ 17 _____ 18 _____ 19 _____ 20 _____ Under penalties of perjury, I declare that I have read the foregoing document and that the facts stated in it are true. 21 _____ 22 Date Signature of Deponent 23 Harold Beck 24 Reporter: LSR Printed Name of Deponent 25 _____ <p style="text-align: center;">118</p><p>1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p></p>	
--	--